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Afghanistan **MINISTRY OF PLANNING**

SURVEY OF PROGRESS

1960

Kabul, Afghanistan

Sunbula, 1339 (August, 1960)

INTRODUCTION

The Ministry of Planning has pleasure in presenting its third annual "Survey of Progress". It has become customary to celebrate Afghanistan's Independence Week every year by publishing this comprehensive symposium of the endeavours and achievements in the nation's march towards prosperity and enrichment of the life of the people. Once a year, the 'Survey' reviews the annual targets set under the Plan, appraises attainments and suggests means of accelerating progress. The 'Survey' also details adjustments in targets which the executing agencies have found necessary and suggests modifications in practices or policies if such changes are deemed necessary.

The Ministry is fully aware that there are still many imperfections in the presentation and contents of the 'Survey'. It is gratifying, however, that already many improvements have been introduced since the appearance of the first issue two years ago. It is sincerely hoped that future 'Surveys' will grow more comprehensive and more useful year after year.

In performing its allotted tasks and in particular in the preparation of this 'Survey', the Ministry has relied heavily upon the support and cooperation of many other Ministries, Government Departments, agencies and financial institutions. Even a cursory look at this publication will indicate how indispensable this support and cooperation have been. All the facts contained herein have been obtained from and checked by the agencies concerned. Most of the statements and analyses have been discussed with the responsible authorities most closely associated with the subject in hand and approved by them. In many cases, valuable suggestions, comments and sometimes corrections of facts and interpretations have been received and incorporated. It gives the Ministry great

pleasure to acknowledge with gratitude the various forms of assistance rendered in the preparation of this 'Survey' by the many persons in Government service and outside it who have given generously of their time, energy and devotion to make this publication possible. Special thanks are due to the United Nations Technical Assistance Operations.

This year, the 'Survey' is printed for the first time and published in Farsi, Pashtu and English. It consists of three parts. Part I embodies a progress report on the Plan and contains, as usual, a chapter for each of the ten chief Ministries and agencies responsible for its implementation. For each, the latest highlights of achievements are first reported. These are followed by a detailed and systematically arranged performance report covering the third year and the first six months of the fourth year of the Plan. The same code numbers adopted in the last two issues of the 'Survey' (1958 and 1959) have been maintained this year to facilitate comparisons. Estimated and actual costs of each project are then given both in local and foreign currencies and classified according to the code adopted. The objectives of the fifth and last year of the current plan, Afghanistan's First Five-Year Development Plan, are then detailed.

It should be noted that in many cases; the targets for completing projects have been attained earlier than was expected. In other instances, achievements have actually exceeded the targets. In almost all other cases, the objectives and revised targets will be fully attained during the fifth year. Next year's Survey will contain a full analysis of the success of the First Plan as a whole. A list of the ten agencies dealt with in Part I is given in the table of contents which shows the order in which the relevant chapters appear.

Part II contains an analytical review of the most significant developments in Afghan economic and social life during the past year. It highlights the basic factors behind the changes that took place in such fundamental sectors as agriculture, industry, transport and communications. The likely impact of current developments are appraised not only for these economic sectors but also for the two main concerns of planning in the social field: health and education. The underlying influences and tendencies in such vital and sensitive fields as the monetary and fiscal sectors are then analysed in detail. Certain changes in practices and policies that are deemed beneficial or essential for the whole economy are suggested. All observations and conclusions reached throughout the 'Survey' are strictly objective and based on figures. The data used are the most up-to-date available.

Part III contains a series of statistical tables that were found too lengthy to be included in Part II. In most cases, the figures appearing in this Statistical Appendix, which is often referred to in the text, have been summarized, presented and commented upon in the relevant chapters of Part II. Consequently no attempt has been made to give percentages, averages or any other statistical parameters in Part III; the figures are presented 'raw'. Whenever feasible, figures have been given for more than one year to facilitate comparisons. Figures for earlier periods can often be found in the two previous issues of the 'Survey'. The sources of the data have been quoted at the foot of all tables.

The results achieved so far under the stimulus of the First Five Year Plan are too many to enumerate in this brief introduction. However, even the most casual observer of the Afghan scene over the past few years, cannot have failed to hear of and be impressed by some of the most outstanding achievements. If he has not seen with his own eyes, he has certainly read in the press or heard on the radio that Gulbahar Textile Plant has recently gone into production, that Jangalak Workshops are in operation, that the great Qandahar International Airport has been opened and that comprehensive short-wave services of Radio Kabul can be heard in many parts of the world. He must have heard that malaria is nearly eradicated and that schools for boys and girls are rising all over the land. He must be conscious of the far-reaching social reform that has been introduced enabling the women of Afghanistan to take their rightful place and to contribute their invaluable share in the developments taking place in every field.

The achievements of next year, the fifth of the First Plan, are likely to be even more striking. Many will hear, by the grace of God, of the opening of the new Kabul airport, of a breakthrough in the Salang tunnel, of the coming into operation of the new channel system for telephone and telegraph messages, of the progress of the Naghlu Dam and the Jalalabad Canal which have just been inaugurated, of the completion of the Public Health Institute and the opening of half of the new buildings of Kabul University. All will hear, above all, of the Second Five-Year Plan targets and the glorious possibilities and promises it will hold out to the ordinary citizen of this historic land for a better and a happier life.

The Ministry of Planning,
Kabul, Afghanistan.
August 23 rd., 1960.

EXPLANATORY NOTES

In conformity with the definitions and practice adopted by the United Nations in the world Economic Survey the following symbols have been used in the tables throughout this Survey of Progress.

1. Three dots (.. .) indicate that data are not available or are not separately reported.
2. A dash (—) indicates that the amount is nil or negligible.
3. A blank in a table indicates that the item is not applicable.
4. A minus sign (—) indicates a deficit or decrease, unless otherwise indicated.
5. A plus sign (+) indicates a surplus or increase, unless otherwise indicated.
6. A full stop or period (.) is used to indicate decimals.
7. A comae (,) is used to distinguish thousands, millions and billions .
8. A slash (/) indicates a crop year, financial year, e. g., 1958/59 or 1337/38.
9. The solar year is the Gregorian year less approximately 621 years, e.g., 1338 is 1959/60. The solar year begins at the spring equinox which occurs on about March 22nd. In Afghanistan, the financial year and the planning years now begin in mid-solar years, that is at the autumnal equinox on or about September 22nd.
10. Use of a hyphen (—) between dates representing years signifies the full period involved, including the beginning and end years, e.g., 1336-1337 means the period from the beginning of the first year to the end of the second, inclusive.
11. Reference to 'ton' indicates metric tons, i.e. 1,000 kilograms and to 'dollars' United States dollars, unless otherwise stated.
12. The term 'billion' signifies a thousand million i.e., 1,000,000,000
13. Details and percentages in tables do not necessarily add to totals shown because of rounding.

In order to interpret correctly the true significance of performance under the Plan, it should be borne in mind that when percentages regarding completion of projects are given, these are often based on the proportion of the total allocation of funds already used. In other cases, a more accurate estimate may have been made taking into account as well, the amounts of time, materials and personnel used. It very often happens that a project may be listed as 50 percent completed although in the case of a road or a telephone, for instance, the distance may not be half covered.

It should also be remembered that the date of commencement of projects is subject to various interpretations. A project may be mentioned as having been started in the first year of the Plan and then mentioned elsewhere stating that construction started in the third year. This is due to the fact that the planning, surveying, budgeting and ordering of equipment began in the first year though actual construction commenced two years later.

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PART I

PROGRESS OF THE PLAN

CONTAINING Highlights of Past Achievements, Performance during the Third Year and during the First Six Months of the Fourth Year of the Plan, Estimated and Actual Costs both in local and foreign currencies and Objectives of the Fifth Year for the following Ministries and Agencies:

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MINISTRY OF EDUCATION

HIGHLIGHTS OF PROGRESS

Primary Education

During the first $3\frac{1}{2}$ years of the Plan, 68 primary schools and 300 village schools were opened. Seventy-five literacy courses were started, 9 new buildings for primary schools were completed and 19 other buildings are under construction.

Secondary Education

Thirteen new buildings for middle schools are under construction. A large amount of laboratory equipment to be used in science classes has been provided. Second grades were introduced in five middle schools and third grades in six middle schools.

Vocational Training

Five teacher training schools were established. Two schools of mechanics were opened in the provinces, in addition to the school of mechanics in Kabul. A large amount of educational equipment was provided for these schools. A number of school buildings were completed, such as an annex to the Afghan Institute of Technology; buildings for the School of Arts; the School of Agriculture; the Schools of Mechanics in Kabul, Qandahar and Khost; and a Teacher Training School. The construction of the School of Commerce in Kabul was started.

Kabul Museum

The main building was repaired and an annex was built and will soon be ready for use. Considerable work on restoration of the museum pieces and organization of the exhibitions has been carried on with the assistance of foreign experts.

The Printing Press

The construction of a new building to house a modern printing press was commenced. Negotiations for the procurement of modern printing equipment are underway.

PERFORMANCE DURING THE THIRD YEAR

1- Primary Education

11 Building of Primary Schools: During the first year of the Plan, foundations for 20 primary school buildings were laid in the capital and the provinces. Work on these buildings continued and some of them were completed. The following permanent school buildings were constructed in the provinces: Kabul, 4 buildings; Herat, 2 buildings; Nangarhar,, 2 buildings; Qataghan, 2 buildings; Maimana, 3 building; Ghazni, 2 buildings; Parwan, 1 building; Girishk, 2 buildings; and Farah, 2 buildings.

12 Opening of Primary Schools: In addition to the 37 new schools already opened during the first and second years of Plan, the following 31 primary schools were opened:

Kabul City, 1; Kabul Province, 2; Qandahar, 2; Herat, 2; Mazar -i- Sharif, 2; Nangarhar, 5; Paktia, 5; Qataghan, 2; Parwan, 3; Farah, 2; Ghazni, 2; Girishk, 1; Shiberghan- 1; Maimana, 1;

Seven of these schools were not included in the objectives for the third year, viz., three in Nangahar Province, two in Parwan Province and two in Paktia.

During the third year of the Plan, third grade classes were introduced in 20 schools which previously had only two grades. Second grades were introduced into

16 Schools established during the second year of the Plan.

13 Opening of Village Schools: In addition to 125 village schools established during the first and second years of the Plan, 175 village schools were established in the following provinces during the third year of the Plan: Kabul, 14; Qandahar, 13; Harat, 14; Mazar -i- Sharif, 13; Nangahar, 13; Paktia, 13; Qataghan, 13; Parwan, 12; Farah, 12; Ghazni, 12; Badakshan, 11; Shiberghan, 11; Maimana, 12; Others, 12.

14 Adult Education: In addition to the 25 adult literacy courses started during the first and second years of the Plan, 50 new courses of adult education were opened in the following provinces: Kabul, Qataghan, Mazar -i- Sharif, Herat, Nangarhar. Parwan, Maimana, Farah, Girishk, Badakshan, Qandahar, Paktia, Ghazni, and Shiberghan.

15 Crafts: In addition to introduding the teaching of crafts in 12 primary schools during the first and second years of the Plan, teaching of crafts was introduced in 28 primary schools in the following provinces: Kabul, 2; Qandahar, 2; Herat, 2; Mazar-i-Sharif, 2; Nangarhar, 2; Paktia, 2; Qataghan, 2; Parwan, 2; Farah, 2; Ghazni, 2; Girishk, 2; Badakshan, 2; Shiberghan, 2; Maimana, 2.

2. *Secondary Education*

21 Building of Schools: The construction of the buildings of Habibia and Zarghuna high schools for girls in Shar-i-Nau was continued. The dormitories were commenced during the first year and buildings for the middle classes were completed. The construction of the sports field and stadium of Esteqlal High School was continued.

22 Scientific Equipment: Preliminary arrangements were made for the purchase of scientific equipment for the secondary schools and 41,000 dollars were set aside for the purpose.

23 Middle Schools: Third grades were introduced in Girshk, Sultanpore, Nangarhar, and Malika Razzi Middle Schools. Second grades were introduced in Bilquis Middle School for Girls, in Kabul and Zarghuna Anna Middle School for Girl in Qandahar. First grades were introduced in the middle schools of Ushturgram, Baraki-Barak and Taluqan. A twelfth grade was introduced in Khushal Khan High School, an eleventh grade in Rabia Balhky Girls School and a tenth grade in the Rahman Baba School.

24 Boarding Schools: A third grade was introduced in the Gardez and Baghlan Boarding Schools.

3. *Vocational Education*

31 The School of Agriculture: Teaching equipment was provided and the number of teachers was increased.

32 The School of Commerce: A number of typewriters were purchased.

33 The Schools of Machanics

331 The Kabul School of machanics: A twelfth grade was introduced.

332 The School of Mechanics in the Provinces: Third grades were introduced in two schools of mechanics in Qandahar and in Paktia provinces, which were established in the first year of the Plan.

34 The School of Arts: More teaching materials were provided and the number of students increased. Foreign instructors were recruited. Bricklaying carpentry and painting sections were established.

35 The Afghan Institute of Technology: New teaching materials, new equipment for the workshops and books for the library were provided.

36 Teachers' Training Schools.

361 The teachers' training school Kabul: Textbook were provided. The woodwork on the school was halfway completed.

362 The Ibn -i- Sina Experimental School. Textbooks were provided.

37 Vocational Schools: The following construction work was completed: the annexes to the Afghan Institute of Technology and to the School of Arts, the bathrooms for the hostels of the Teachers Training' School and for the School of Mechanics in Khost. The work on the buildings for the teachers' training school, the schools of mechanics in the provinces and the Kabul School of Mechanics was continued. An additional building to the Allauddin Experimental School in Kabul was completed.

4. *The Museum*

An annex was erected. The existing building was repaired. Chemicals for the restoration of museum pieces and equipment, cupboards, cabinets and electrical goods were purchased. The restoration of museum pieces was continued. Foreign experts continued their work.

5. *The Printing Press*

51 Buildings: The construction of an annex for the printing press was commenced.

52 Equipment: 30, 000 dollars has been obtained for equipment needed in operation of the printing press. Negotiations for its procurement are being conducted through the Afghan Embassy in Bonn. The required goods are expected to arrive in Kabul during the first quarter of the Fourth Year of the Plan.

Expenditures During the Third Year of the Plan

Code No.	Project	In Foreign Exchange	Equivalent in Afghanis	Expenditure in Afghanis	Total in Afghanis
		Dollars x			
1.	***Primary Education***				
11	Primary school buildings	—	—	4,222,740	4,222,740
12	New primary schools	—	—	1,267,236	1,267,236
13	New village schools	—	—	780,000	780,000
14	Adult education courses	—	—	63,900	63,900
15	Introduction of crafts in primary schools	—	—	365,000	365,000
16	Audio-visual instruction	—	—	49,100	49,100
2.	***Secondary Education***				
21	Secondary school buildings	—	—	13,021,823	13,021,823
22	Scientific equipment	—	—	—	—
231	New middle schools	—	—	492,063	492,063
232	New high schools	4,800 £ 359	97,200 19,845	523,422	640,467
24	New provincial boarding schools	—	—	1,405,570	1,405,570
3.	***Vocational Education***				
31	The School of Agriculture	34,000	688,500	913,626	1,602,126
32	The School of Commerce	10,161	205,740	57,000	262,740
331	The School of Mechanics, Kabul	10,000 £ 5,000	587,640	551,207	1,138,847
332	Provincial schools of mechanics	30,320	613,980	2,777,773	3,391,753
34	The School of Arts	4,500 £ 1,920	199,989	171,750	371,739

Expenditures during the Third Year of the Plan (continued)

Code No.	Project	In Foreign Exchange (Dollars)	Equivalent in Afghanis	Expenditure in Afghanis	Total in Afghanis
35	Afghan Institute of Technology	33,000	668,250	1,368,857	2,037,107
361	The Teachers' Training School, K bul	—	—	20,000	20,000
362	The Ibn-i-Sina Experimental School	—	—	20,000	20,000
363	Provincial teachers training schools	3,048	61,722	3,071,923	3,133,645
37	Vocational school buildings	—	—	2,722,408	2,722,408
4.	***The Museum***				
41	New buildings	—	—	32,929	32,929
42	Chemicals and equipment	1,600	32,400	59,200	91,600
43	Salary of experts	22,536	456,354	108,000	564,354
5.	***The Printing Press***				
51	Extension of buildings	—	—	—	—
52	New supplies and equipment	38,675	783,168	—	783,168
53	Salaries of local and foreign experts	—	—	—	—
6.	***Miscellaneous***				
61	Allowances	—	—	367,200	367,200
62	Food grain allowances	—	—	93,000	93,000
63	Textbooks	100,000 xx	3,160,464	—	3,160,464
64	Transportation	—	—	500,000	500,000
	Totals	292,640 £ 7,270	7,575,252	35,025,727	42,600,979

Rate of exchange: 1 Dollar = 20. 25 Af.
1 £ = 56 70 Af.

x Unless otherwise stated. xx 93,840 of this amount were converted at a rate of 1 Dollar = 32.35 Af.

PERFORMANCE DURING THE FIRST SIX MONTHS OF THE FOURTH YEAR

1. *Primary Education*

11 Building of Primary Schools: The construction of school buildings was being carried out in the following places: Qalai-Morad-Beg, Butkhak, Parwan-Minna, Saleman Maku (in Qandahar), Charbagh - Safa, Nurestan School, primary schools in Nangarhar and Arab - Khana in Maimana, Katawa school, the first part of Andar in Ghazni, Mahmud-Herat, the girls school in Kabul, Bamian, Sargan in Girishk and Sang, Charak. Out of 22 primary schools undertaken, 9 were completed in 1337-1338. The construction of the 13 other schools was continued and 6 new school buildings were started, 3 in Nangarhar province, 2 in Parwan Province and one in Shiberghan. Furniture, such as school desks, rugs, stoves, etc., were purchased.

2. *Secondary Education*

21 Buildings: Construction work was being carried out in the following places: Khoshal Khan High School, the Habibia High School, the girls school and the dormitory in Mazar-i-Sharif, the middle school and the dormitory in Gardez, the dormitory in Baghlan, the Khanabad High School, the Ushtorgram School, the Badakshan Middle School, the annex of Malalai and Zarghuna High Schools, and the Rahman Baba School.

The construction of three new schools was started in addition to the 10 schools started previously. The three schools are one in Mazar-i-Sharif, one in Parwan and the Rahman Baba School. Five sets of laboratory equiqment desks, chairs, cupboards and rugs were purchased.

3. *Vocational Education*

The buildings of the Qandahar School of Mechanics the Teachers Training School, the Naj Mul Madaras (Islamic School) in Nangarhar, the school of mechanics in Khost, the annex of the Kabul School of Mechanics and the School of Agriculture were completed. The construction of the School of Commerce and the School of Arts in Kabul was commenced. Chairs, tables, stoves, radio and carpets were purchased.

4. *The Museum*

The work on the annex to the Museum was continued.

5. *The Printing Press*

Some equipment and implements were purchased. Furniture was provided for the office of the expert.

6. *Miscellaneous*

The construction of the building for the studio of the Esteqlal High School, the library of the Ministry of Education, and the building of the Shiberghan Education Department was continued. Iron sheets for the roof and cement were purchased. One Volga automobile for the Department of Secondary Education was purchased, four Russian jeeps for the Ghazni Education Department, the Qandahar Education Department, the Museum Department and the Sports Department, were also acquired. Two Russian jeeps and one station wagon will be distributed when received. Telephones and carpets were purchased.

Actual Expenditures During The First Six Months Of The Fourth Year Of The Plan

CODE No.	PROJECT	IN FOREIGN EXCHANGE	EQUIVALENT IN AFGHANIS	EXPENDITURE IN AFGHANIS	TOTAL IN AFGHANIS
1	PRIMARY EDUCATION	—	—	4,169,233.00	4,169,233.00
2	SECONDARY EDUCATION	—	—	11,395,609.00	11,395,609.00
3	VOCATIONAL EDUCATION	—	—	8,074,775.00	8,074,775.00
4	MUSEUM	—	—	40,000.00	40,000.00
5	PRINTING PRESS	—	—	1,946,841.00	1,946,841.00
6	MISCELLANEOUS	—	—	2,259,107.00	2,259,107.00
	TOTALS			27,885,565.00	27,885,565.00

Objectives for the Fifth Year of the Plan

1. *Primary Education*

11 Building of primary schools: 35% of the foundation work of 53 primary school buildings and 35% of the construction of 20 schools will be completed.

12 Opening of village schools: 24 new schools with five classes each, 13 schools with four classes, 17 schools with three classes, 50 schools with two classes and 50 schools with one class will be established.

13 Opening of village schools: 100 village schools will be established.

14 Adult education: 50 new literacy courses for adults will be opened,

15 Crafts: The teaching of crafts will be introduced in 34 primary schools,

16 Audio-visual aids: One unit of audio - visual aid will be provided.

2. *Secondary Education*

21 Building of schools: 9 schools buildings already halfway finished will be completed, 13 other school buildings will be built.

22 Scientific equipment: 12 sets of laboratory equipment for middle schools will be provided.

24 Boarding Schools:

231 Third grades will be introduced in three schools, i. e. Ustrogram, Baraki Barak and Taluqan.

Second grades will be introduced in 9 schools, i. e. Shiberghan, Kaman, Setara Maimana, Chakhan Sur, Rodat, Jabel - Seraj , Serai - Khodja, the girls' schools of Puli-Khumri and Chera - Serat,

First grades will be introduced in three new schools.

232 12th grade will be introduced in Rahman Baba School: 11th grade will be introduced in Sanayi school in Ghazni. 10th grade will be introduced in Mehiri College in Herat.

24 Boarding Schools: Second grades will be introduced in the boarding schools of Badakshan and Mazar -i- Sharif. A boarding school for 120 students will be established in Paktia.

3. *Vocational Education*

31 The School of Agriculture. The school building will be completed. The library, the laboratory and the equipment for publication will be improved.

32 The School of Commerce: The school will be supplied with the necessary teaching equipment, Bilquis secondary girls school will be converted into a School of Administration and Commerce,

33 Schools of Mechanics:

331 The Kabul School of mechanics: The supply of teaching material and the workshop will be completed. Facilities for the new students at the boarding house will be provided. Foreign teachers will be employed on a contract basis for training.

332 The schools of mechanics in the provinces: Complete teaching and workshop equipment for the mechanical schools in Kandahar and Khost will be supplied.

34 The Schools of Arts: The number of students will be increased and foreign teachers will be employed. Complete equipment for carpentry and for sculpturing will be provided.

35 The Afghan Insitute of Technology: Complete training facilities, workshops and the library will be provided. Vacancies for administrative personnel and clerks will be filled. Some industrial machinery and mining equipment will be purchased.

36 Teachers training schools:

361 The Kabul Teachers Training Schools: The library and the laboratory will be completed.

362 The Ibn-i-sina Experimental School: The library and the laboratory will be completed. Vacancies for teachers and other personnel will be filled.

363 The Nangarhar Mirwais and Harat Teachers Training Schools: The libraries and laboratories will be completed. The number of students in these schools will be doubled.

37 Vocational School: 60% of the construction of 10 vocational schools will be completed

4 *The Museum*

41 The museum buildings and number of damaged museum pieces will be repaired. Chemicals for repairing of museum pieces will be provided. Necessary furniture and tools, including cupboards and electric tools will be purchased.

43 Foreign specialists will be employed: Local technical staff will be recruited. The administration of museum work in the provinces will be expanded.

44 The organization of a technical library of the museum will be continued.

45 A technical magazine of the museum will be published.

The Printing Press

51 Buildings: The construction of an annex building for the press will be continued.

52 Equipment. Equipment for the printing house and for reproduction of photos will be purchased.

53 Personnel: The number of technicians and workers will be increased.

6 *The Centre of the Ministry*

61 Buildings. The Ministry building will be completed. The necessary equipment for the building will be purchasd.

62 Equipment and furniture for the central offices will be provided.

63 Scientific books and text books for the general library and for the scientific library of the Ministry will be purchased.

46 Personnel: The personnel for the Pushtu Teaching Department, the Scout Department, the Directorate of Encyclopedia, the newly established Directorates of Education in the Provinces, the Directorate of the Magazines 'Pohanna' (Knowledge), and 'Showonki' (Teacher) will be incereased. The training program for primary schools will be expanded.

KABUL UNIVERSITY
Highlights of Progress

The University Center

Construction of various buildings was undertaken such as the University building, including the College of Engineering and Agriculture, the University Library, a building for surgical service, a women's hospital, a central clinic, a building for the College of Science, bacteriological laboratory for the College of Medicine, an auditorium at Aliabad hospital and a general laboratory for the College of Medicine for Women. The major part of this building program has been completed.

The Colleges

The College of Economics and also the College of Engineering and Agriculture were established. The ICA provided a number of lecturers for the latter college. The College of Pharmacology was established within the College of Medicine. Two new institutes, the Institute for Studies of American Culture and the Institute for Studies of German Culture were established.

A large number of foreign professors were called to lecture at the various colleges and many Afghan university teachers went abroad to study at foreign universities.

A large amount of laboratory equipment, teaching equipment, text books and books for the libraries was purchased in order to improve the standard of teaching at the University.

Performance During the Third Year of the Plan

11. *The University Center*

111 Buildings.

The buildings of the bacteriological laboratory of the College of Medicine and of the general laboratory of the College of Medicine for Women were almost completed. The construction of the annex in the Malalai School for the Women's College residence was continued.

118 Translations and Publications: A number of translations of textbooks was carried out.

12. *The College of Law*

121 Foreign Professors: Four foreign professors lectured at the College.

122 Teaching and Administrative Equipment: A new Gestetner duplicator was purchased.

13. *The College of Science*

132 Equipment: Arrangements were made for the procurement of labratory equipment.

133 Books: Arrangements were made for the procurement of books.

14. *The College of Letters*

141 Foreign Professor: Foreign lecturers were made available from the Wyoming University Team.

142 Equipment: 20,000 Afs were spent on furniture and equipment for the college.

15. *The Women's College*

153 Books: A number of books was purchased.

16· *The College of Islamic Law*

163 Books: A number of text books was purchased.

17. *The College of Engineering and Agriculture*

171 Foreign Professors: The Wyoming University Team continued to lecture at the college.

172 Equipment: Furniture and equipment for the classrooms, the reception room,etc. together with other equipment were purchased.

18. *The College of Economics*

181 Foreign Professors: Five foreign professors lectured at the college.

182 Equipment: Office and teaching equipment such as a Gestetner duplicator, typewriters, chairs and tables, etc- were purchased.

183 Books: The entire budget for this purpose was used for purchasing local and foreign books.

19· *The College of Medicine*

192 Equipment: Necessay equipment for the laboratory was provided. 50% of the budget for the college was used for the College of Pharmacology in particular for increasing the number of teachers.

194 Training Abroad: Ten students continued their medical studies in foreign countries.

22· *The Health Institute*

222 Equipment: A 100 line telephone was installed. Pipelines for the water supply were installed. An amount of medicine was purchased. Some other equipment was purchased.

Enpenditures During the Third Year of the Plan

CODE NO	PROJECT	IN FOREIGN EXCHANGE	EQUIVALENT IN AFGHANIS	IN AFGHANIS	TOTAL IN AFGHANIS
11	*University Center*				
111	Publication & Translation	—	—	29,000.00	29,000,00
113	Building	—	—	7,320,000.00	7,320,000.00
12	*College of Law*				
122	Procurement of various supplies for teaching and administration	—	—	31,900.00	31,900.00
13	*College of Science*				
14	*College of Letters*				
142	Teaching equipment	—	—	10,161.00	10,161.00
142	Administrative and Publication equipment	—	—	20,000.00	20,000.00
15	*The Women's College*				
153	Books, translation and pubication	—	—	30,849.00	30,849.00
16	*College of Islamic Law*				
163	Purchasing Books	—	—	2,720.00	2,720.00
17	*Engineering And Agriculture College*				
172	Equipment for teaching and administrative material	—	—	70,000.00	70,000.00
173	Books translations and Publications	500.00 dols	10,125.00	30,125.00	40,250.00
18	*College of Economics*				
181	Foreign Teachers	£ 18,510.00-- 2,000.00 dols	1,090,016.00	60,000.00	1,150,016.00
182	Teaching and administrative equipment	—	—	549,379.00	549,379.00
183 186	Books, translation and publication	£ 250.00	22,645.00	38,568.00	61,231.00
184	Completion of administrative establishment	—	—	299,116.00	299,116.00

CODE NO.	PROJECT	IN FOREIGN EXCHANGE	EQUIVALENT IN AFGHANIS	IN AFGHANIS	TOTAL IN AFGHANIS
185	Improving economic Status of Teachers		—	108,000.00	108,000.00
187	Miscel'aneous	—	—	20,000.00	20,000.00
19	*College of Medicine*				
192	Administrative and teaching equipment	—	—	—	—
1921	Laboratory equipment	—	—	101,148.00	101,148.00
1922	Administrative equipment	—	—	703,330.00	703,330.00
193	Books, translation and publication	—	—	—	—
194	Sending students abroad	—	—	357,463.42	357,463.42
195	Increasing the number of teachers and improving their economic status	—	—	151,289.82	151,289.82
22	*The Health Institute*				
2221	Machines and implements	—	—	262,680.00	262,680.00
2222	Other equipment	—	—	50,000.00	50,000.00
227	Miscellaneous	—	—	181,710.00	181,710.00
	TOTAL	£ 18,760.00 2,500.00 Dols.	1,122,786.00	10,427,457.24	11,550,243.24

Performance During the First Six Months
of the Fourth Year of Plan

11 *The University Centre*

111 The following buildings were under construction: 1. the College of Medicine; 2. the Bacteriologic Laboratory; and 3. the building for Surgical Service. The contract for the University building with the Ministry of Finance and Public works and the Hochtief Company was signed and he work was started.

113 Books: 103 volumes of books were purchased for the University Library. Equipment for publication including paper, a Gestetner machine, a sewing machine, etc., were purchased.

114 Three students from the College of Islamic Law, five students from the Institute of Education, one student from the College of Engineering, and three students from the College of Science were sent to Turkey, Western Germany, USA, UAR, Switzerland, USSR, Beirut and France.

116 Translation and publication. Two books were translated.

117 Equipment: Agricultural and communication equipment together with motor cycles, bicycles, etc., were purchased. Equipment for boarding houses such as tables, chairs, plates, heaters, blankets, etc., were purchased.

12 *The College of Law*

122 Teaching and administration equipment: Furniture such as tables, electric heaters and chairs were purchased.

123 Books: 47 volumes of books were purchased.

124 Training abroad: Three students from the College were sent abroad for studies.

126 Translation and publication: Some of the equipment was purchased. Two books were translated.

13 *The College of Science*

132 Equipment: Two bookshelves were purchased.

133 Books: 144 volumes were purchased for the library.

134 Tranining abroad: 11 students went for studies to the USSR and Western Germany.

136 Translatio and publica icns: One bcck was translated.

14 *The College Of Letters*

142 Equipment: Chairs and tables were purchased.

143 Books: 14 volumes were purchased for the library.

144 Trainnig abroad: One student from the college went abroad for studying leadership. Also other students went abroad.

146 Translation and publication: 900 magazines of Adap and Wazma were purchased.

15 *The Women's College*

152 Equipment: Office equipment such as punching machines, ink, paper, etc., were purchased.

16 *The College of Islamic Law*

162 Equipment: Equipment such as furniture, paper, carbon files and other office materials, a typewriter, blankets, cutlery, etc., were purchased.

17 *The College of Engineering And Agriculture*

172 Equipment: Furniture, such as tables and chairs, was purchased.

18 *The College of Economics*

182 Equipment: Iron shelves and other office equiqment were purchased.

183 Books: 31 volumes were purchased.

19 *The College of Medicine*

192 Equipment: Four typewriters, chairs, tables, 100 arm chairs, two electric fans, etc., were purchased.

193 books: 53 volumes were purchased locally. Seven volumes were purchased from abroad. Seven books on women's diseases, biochemistry and the thesis of Dr. Abdullah were translated.

194 Training Abroad: Eleven students were sent abroad for studies.

197 Administrative and training equipment: Gestetner paper, typing paper, carbon paper, equipment for the boarding house such as beds, small tables, blankets, etc., were purchased.

21 *The College of Pharmacology*

211 Books: 58 volumes of books were purchased. The College is administered together with the College of Medicine. Equipment for the laboratory and for the boarding house was purchased by the College of Medicine.

22 *The Health Institute*

222 Equipment: Various hospital equimpents were purchased. 5,405 golden Mark were used for purchasing equipment for the labratory. Ten sofas, 40 tablas, 95 chairs, 14 bookshelves, ladders, electric boilers, electric stoves, heaters and equipment for the blood bank were purchased. Equipment for the water supply for the Aliabad Hospital was purchased.

23 *The Educational Institutions*

232 Administrative equipment: Furniture such as 10 tables for clerks, 10 chairs, wood and other materials were purchased for different schools.

236 Three pamphlets called "Social Information" and a book on agriculture were published.

Report of Expenditures During the First Six Months of the Fourth Year

Code No.		In Foreign Exchange	Equivalent in Afs.	Afghanis	Total in Afs.
11	University Centre	4,144.00 Dols. £ 186.6	134,058.40 16,908.68	4,689,556.42	4,840,523.50
	New University Buildings	32,974.32 Dols. £ 4,186.6	1,445,947.96	15,867,773.82	17,313,721.78
12	Faculty of Law	7,656.51 Dols.	247,688.12	32,579.00	280,267.12
13	Faculty of Science	5,121.60 Dols.	165,683.78	94,680.00	260,363.78
14	Faculty of Letters	4,571.41 Dols.	147,885.10	55,839.00	203,724.10
15	Faculty of Women	—	—	2,500.00	2,500.00
16	Faculty of Islamic Law	—	—	19,740.40	19,740.40
17	Faculty of Engineering & Agriculture	—	—	7,737.00	7,737.00
18	Faculty of Economics	302.00 Dols.	9,769.70	38,000.00	47,769.70
19	Faculty of Medicine	11,178.80 Dols. £ 4,000.00	361,634.18 362,320.00	219,705.00	943,659.18
21	Faculty of Pharmacology	—	—	198,089.00	198,089.00
22	Public Health Institute	—	—	491,283.00	491,283.00
23	Training Institute	—	—	18,065.00	18,065.00
		65,486.64 Dols. £ 8,269	2,891,895.92	21,735,547.64	24,627'443.56

Objectives for the Fifth Year of the Plan

11. *The University Center*

111 Buildings: The buildings of the University as well as sports and stadium ground, will be completed.

112 Administrative and Teaching Staff: Vacancies in administrative staff and in teaching staff will be filled.

113 Books: Arrangements will be made for printing of books, for purchasing equipment, for printing and for expanding the University Library.

114 Training Abroad: Training abroad will be continued.

115 Encourgement of Research: In order to encourage research work, awards will be made available to deserving persons engaged in reseasch work.

116 Translation and Publication: Translation and writing of text books will be encouraged.

117 Administrative and Educational Equipment: Additional furniture for offices and boarding houses will be procured for keeping with the increase in number of office personnel and students.

12 *The College of Law*

132 Teaching and Administrative Equipment: Large quantites of equipment and material will be purchased.

123 Books: New books for the library will be provided.

124 Training Abroad: Teachers will go abroad for studies to the extent as in earlier years.

125 Teaching and Administrative Staff: The teaching and administrative staff will be increased.

126 Translation and Publication: Translation and writing of books will be continued on the same scale as in the previous year.

13 *The College of Science*

132 Laboratory Equipment: Laboratory equipment will be provided to the same extent as in earlier years.

133 Books: More books for the library will be provided.

134 Training Abroad: A number of teachers will go abroad for studies.

135 Teaching and Administrative Staff: The teaching and administrative staff will be increased.

136 Translation and writing of Books: The translation and writing of books will be encouraged.

137 Equipment: Equipment for the classrooms and offices will be provided.

14. *College of Letters*

142 Equipment: Steps will be taken to provide equipment for teaching.

143 Books: More books will be provided for library.

144 Training Abroad: A number of teachers will be sent abroad as in previous years.

145 Administrative and Teaching Staff: Vacancies for teachers and administrative staff will be filled.

146 Translation and Publication: The number of translations and publications will be increased.

15. *The Women's College*

152 Equipment: New equipment will be bought for the expansion of the college. Transport equipment will be provided.

153 Books: A number of books will be provided for the library.

155 Teaching and Administrative Staff: The teaching and administrative staff will be increased following the increase in the number of classes.

16 *The College of Islamic Law:*

161 Foreign Professors: An increase in the number of foreign teachers will take place.

162 Equipment: New equipment for offices, classrooms, the boarding house and also transport equipment for teachers will be provided.

163 Books : The demand for books will be met.

165 Teaching and Administrctive Staff: Steps will be taken to increase the teaching and administrative staff.

17. *The College of Engineering And Agriculture:*

171 Equipment: New equipment will be bought for the expansion of the college.

175 Teaching and administrative Staff: Additional teaching and administrative staff will be provided from within the country.

176 Translation and Publication: Translation and publication of books will be carried on.

18 *The College of Economics*

182 Books. New equipment and furniture will be bought because of the increase in the number of students and teachers.

183 Books: New books will be bought for the library.

185 Teaching and Administrative Staff. Three local teachers will be added to the staff.

186 Translation and Publication: The number of translations and publications will be increased

19. *The College of Medicine:*

192 Equipment for the laboratory will be purchased on the same level as during the previous year.

193. Books: New books will be purchased for the library.

194. Training abroad: Teachers will be sent abroad as last year.

21 *The College of Pharmacology*

212 Equipment: Administrative and teaching equipment for the boarding house will be provided. Steps will be taken to provide for new laboratory equipment. Typewriters will be bought.

22 *The Health Institute*

222 Equipment: Laboratory and other equipment will be purchased on the same scale as last year.

223 An organization chart of the administration will be prepared. The water supply equipment will be completed.

23 *Educational Institutions*

232 Administrative and teaching equipment will be provided in larger amounts than during provious years.

233 Books: The library will be expanded.

235 The administrative and teaching staff will be increased.

236 Translation and writing of books will be continued.

25 *Institute for Studies of American Culture*

252 Equipment: The furniture for the institute will be provided.

26 *Institute for Studies of German Culture*

256 The administrative staff will be increased.

27 *The New Building for Kabul University*

The new university building including a boarding house, the College of Engineering and Agriculture, the University Library and other buildings will be 50% completed.

MINISTRY OF PUBLIC HEALTH

Highlights of Progress

Administration

A Program for the expansion and improvement of the administration of the Ministry and the Health Institutes has been carried out, in particular with a view to expanding the activities of the provincial health directorates as general directorates of health. The Narcotics Department was established to control the supply, prescription and sale of narcotics .

Training

The Ministry started the construction of the Public Health Center and approximately 50% of the work was carried out. A number of training courses for medical personnel were established, such as, courses for health inspectors, sanitarians, laboratory technicians, assistant midwives, nurses and dental assistants.

Preventive Medicine

Large scale campaigns were carried out against contagious diseases. Malaria is now almost eradicated and more than 1.5 millon persons have been vaccinated against typhus and smallpox. Extensive publicity campaigns to inculcate healthy habits among people are undertaken on a permanent basis by the Ministry's publicity unit in cooperation with the vaccination teams.

Hospitals, Clinics and Laboratories

The construction of six new hospitals in the provinces has been completed and the facilities of other hospitals have been extended in particular by increasing the number of beds in these hospitals. Four new hospitals are under construction, among them the 100 bed hospital in Kabul which is almost halfway completed.

Five mobile units equipped with medical supplies were established in five provinces. Four diagnostic laboratories and four dental clinics were established in the provinces. The Kabul Vaccine Laboratory which conforms to international standards was established during the first year of the plan and was extended during fourth year.

Performance During the third Year of the Plan

1. Administration

The extension of general health directorates in the provinces continued. The Narcotics Department continued its function.

2. Training

21 The Public Health Institute: The construction work was continued and 80% completed.

22 Courses: Training courses were conducted for 14 laboratory technicians, including health inspectors, 28 nurses, 18 laboratory assistants, 31 midwives, 78 dental assistants and 32 compounders: Thirteen laboratory technicians and 13 sanitarians graduated and were employed under various health projects.

3. Preventive Medicine

An extensive program of campaigns against contagious diseases such as smallpox was launched. Equipment and materials for undertaking compulsory vaccination were procured and mass vaccinations were carried out; 607,215 people were vaccinated against smallpox. Campaigns against typhus and rabies were extended. Seven hundred forty thousand people were vaccinated against typhus.

32 Mobile units: Mobile units equipped with medical supplies undertook medical activities in the provinces of Badakshan, Nangarhar and Kandahar. Equipment and material were provided for the establishment of a mobile unit in Qataghan sufficient to enable the unit to cover remote areas also.

33 Health propaganda: Activities of disseminating information to improve people's health habits through magazines, newspapers, radio conferences, films and pictures were continued. New equipment was provided such as drawing equipment for charts, film projectors, tape recorders, loudspeakers, and complete photographic equipment.

4. Hospitals, Clinics and Laboratories

411 The 100 bed General Hospital of Kabul: The construction work was continued and 25% completed.

412 The Katawaz General Hospital with 10 beds partly opened under the second year of the plan, was completed and put to full use.

413 The Women's Hospital at Farah: Preliminary arrangements for the establishment of the hospital were completed. The construction was postponed due to lack of funds.

414 Ten bed Logar Hospital : The construction was continued and was 25% completed.

415 Ten bed Hospital of Ibn Sina. The construction work was started on the 15th of Saratan 1338 (16th July 1959) and 25% completed: The first and second floors were erected.

416 Dental Clinics: The dental clinic o.' Farah was established and put in use.

418 The Laboratory in Maimana: The equipment for the Maimana laboratory together with technical instruments and materials arrived The technical personnel was assigned and the work in the laboratory was commenced.

421 Extension of Existing Facilities: The establishment of the new X-ray institute of Ibn Sina and Kabul were completed. The Nangarhar X-ray Institute was completed and work was started. The remaining equipment for the Mazar-i-Sharif X-ray station was received. The equipment of the Maimana and Ghazni X-ray stations was sent to these institutes and the preliminary work was carried out.

422 Increasing the number of Beds in Hospitals: The following 50 additional beds were provided:

Kandahar Hospital	10
Qataghan Civil Hospital	10
Maimana Civil Hospital	10
Badakshan Hospital	10
Khanabad Hospital	10

43 Water Supply: The water supply system for the women's civil hospitals in Farah and Kabul was repaired. The machinery and equipment for the water supply to the civil hospitals of Ghazni and Maimana were provided and the installations were completed. The installation of water supply for the civil hospital, for the X-ray clinic and for the maternity hospital and the women's hospital in Mazar-i-Sharif was completed.

44 Electric Supply: Six diesel generators were received from abroad. Two diesel generator stations ware installed and put in to operation in Nangarhar and Ghazni hospitals. The drawing of electric lines for the X-ray clinic in Mazar-i-Sharif was completed. The electric power generators for the Mazar-i-Sharif hospital and institutes were sent. The electric installation for the civil hospital in Maimana was completed. The diesel generator for this hospital was installed and started providing power to the civil hospital and the X-ray clinics .

Expenditures During the Third Year of the Plan

Code No.	Name of Project	Foreign Exchange	Equivalent in Afghanis	In Afghanis	Total in Afghanis
1	*Administration*				
11	The Health Department	Dollars			
12	The Narcotics Department	—	—	416,750	416,750
13	Improvement of organization	—	—	134,274	134,274
2	*Training*				
21	Public Health Institute	—	—	5,993,720	5,993,720
22	Training of Personnel	—	—	386,212	386,212
3	*Preventive Medicine*				
31	Campaigns	—	—	1,979,898	1,979,898
32	Mobile Units	—	—	439,759	439,759
33	Health Propaganda	—	—	170,000	170,000
4	*Hospitals, Clinics And Laboratories*				
411	The 100 bed hospital in Kabul	—	—	9,236,244	9,236,244
412	Kobawar Hospital	—	—	138,392	138,392
413	Gardez Women Hospital	—	—	159,824	159,824
4141	The Ibn Sina Hospital	—	—	265,579	265,579
4142	The Logar Hospital	—	—	1,400,000	1,400,000
416	Dental Institutes	2000	64,700	52,477	117,177
418	Laboratories	1000	32,350	272,426	304,776
421	X-ray	£ 3298	298,732	—	298,732
422	Extending of existing facilities	—	—	30,000	30,000
423	Additional beds to hospitals	—	—	871,836	871,836
424	Medical equipment	63,151) £ 17,191) PKR 1,135) D Mark 98,025)	4,365,429	—	4,365,429
425	Water Supply Systems			1,100,000	1,100,000
		66,151 £ 20,488 PKR 1,135 D. Mark 98,025	4,761,211	18,047,391	22,808.602

Rate of Exchange - 1 Dol. = 32.35 Afghanis
£ 1 = 95.58 ,,
100 PKR = 679.25 ,,
100 D.Mark = 670.24 ,,

Performance During the First Six Months of the 4th Year

2 *Training:*

21 The construction work on the public Health Institute was continued and 80% completed.

The training courses were continued as follows:

Training of 13 sanitarians.

Training of 13 laboratory technicians.

Training of 14 laboratory assistants.

Training of 14 X-ray technicians.

3 *Preventive Medicine:*

31 Campaigns against contagious diseases: 93,149 persons were vaccinated against smail pox in Kabul province and 273,648 persons in the provinces.

Typhus: A campaign was started during the beginning of the fourth year and was continued during the second quarter of the year. D.D.T. powder was used extensively.

32 Mobile units: The equipment including transport equipment and materials for new mobile units in Herat and paktia provinces were provided.

33 Health propaganda: Health propaganda was carried out through newspapers, magazines, radio, film performances. The teams carrying out campaigns against contagious diseases participated in the propaganda programs and helped to facilitate the work of the Ministry in this respect. The following equipment was provided for propaganda purposes: a microphone, an Adidiascope for showing pictures from books, a machine for printing phamphlets and a Gestetner machine .

34 The Vaccine Institute: The institute was equipped with new equipment and implements so that the production of vaccine could be increased. The construction of a new building for the institute was commenced during the last half of the third year and was continued during the first half of the 4th year. The building work was completed.

4 *Hospitals, Clinics And Laboratories*

411 The 100 bed General hospital in Kabul: The construction was continued. The work on the main building was 45% completed and the work on the additional building south of the hospital was 25% completed.

413 The women's clinic in Farah. The design was completed and the construction was started.

414 The Logar Hospital: The construction work was continued and was almost completed

415 The Ibn - Sina Hospital: The construction work was continued. The main building was almost completed. The installation of the central heating system and the water supply system was contracted with a foreign firm.

416 Dental clinics: The dental clinics of Nangarhar, Paktia, Qataghan and Farah continued their servises.

418 Laboratories. The laboratories of Qataghan, Ghazni, Parwan and Maimana continued their services.

421 Additional beds for the hospitals: Equipment and implements for increasing the beds of the Urgun hospital were obtained and put in use.

423 X-ray clinics: The X-ray clinic in Maimana was completed. The two X-ray clincs in Ghazni including the installation work and the drawing of electric lines were completed. The equipment of the X-ray clinic in Mazar-i- Sharif was completed. The technicians will commence the installation of the electric generator in the near future. The X-ray equipment for Khost was provided and the rooms for the generators were under construction. The designs for the wiring were completed. Complete X-ray sets for Ibn - Sina and Parwan were purchased.

424 Water supply: The equipment for water supply for a 50-bed hospital in Ibn-Sina and Parwan Polyclinic, and for the laundary of the Mazar-I-Sharif. Hospital was provided. The Installation work was commenced.

425 Electric supply: Diesel generators were previously sent to the Maimana, Chazni and Mazar-i-Sharif hospitals and the two of them, the one for Maimana and the one for Ghasni were installed. The installation of the one in Masar-i-Sharif was almost completed. The electric wiring of the Maimana Hospital was completed. The electric installation for the polyclinic in Parwan was almost completed.

Expenditure During the First six Months of the 4th Year of the Plan

CODE NO:	PROJECT	IN FOREIGN EXCHANGE	EQUIVALENT IN AFGHANIS	EXPENDITURE IN AFGHANIS	TOTAL IN AFGHANIS
1	***Administration:***				
11	Health Department	Dollars			
12	Narcotics Department	—	—	240,902.00	240,902.00
2	***Training:***				
21	Health building	—	—	9,567,170.00	9,567,170.00
22	Training Nurses etc.	—	—	228,950.00	228,950.00
3	***Preventive Medicine***				
31	Campaigns etc.	—	—	1,189,948.00	1,189,948.00
32	Mobile unit	—	—	244,148-00	244,148.00
33	Publicity	—	—	227,102.00	227,102.00
4	***Hospitals Clinics & Laboratories:***				
411	Kabul Hospital Building	—	—	7,484,017.00	7,484,017.00
412	Katawaz Hospital	—	—	72,598.00	72,598.00
413	Women Hospital of Gardez	—	—	93,540.00	93,540.00
141	Hospital of Logar	—	—	200,000.00	200,000.00
	Hospital of Sary Khodja	—	—	210,150.00	210,150.00
4143	Hospital of Ibn - sina	—	—	1,929,366.00	2,738,116.00
416	Dental Institute	25,000.00	808,750.00	15,040.00	211,889.75
418	Laboratories	6,085.00	196,849,75	175,534.00	207,884.00
422	Increase of beds	1,000.00	32,350.00	715,354.00	715,354.00
423	X-ray Department	—	—	350,468.00	505,748.00
424	Improvement of Health Institutes	4,800.00	155,280.00		
	Medical equipment			425,000.00	425,000.00
	Water supply	£ 16,579.00	1,501,725.82		1,491,635.24
				780,000.00	780,000.00
	Total	36,885.00	2,694,955.57	24,149,287.00	26,844,242.57
		£ 16,579.00			

OBJECTIVES OF THE FIFTH YEAR

1 *Administration*

11 The activities of perventive medicine will be increased in Mazar-i-Sharif and Herat.

2 *Training*

21 The construction of Public Health Institute will be completed.

3 *Preventive Medicine*

31 Campaigns against contagious disesases such as small pox and typhus will be increased.

32 Mobile units will be brought in operation in Paktia and Herat.

33 Health propaganda will be increased.

4. *Hospitals, Clinics and Laboratories*

411 The 100-bed hospital in Kabul: The construction will be completed.

414 The women's hospitals in Parwan, Ghazni and Maimana will be put in use.

4141-2 The construction of the 10-bed hospital in Logar Ibn-Sina, Kabul and Serai - Khodja will be completed.

415 The departments for mother and child care in Paktia and Maimana will start their functions.

421 The X-ray clinics in Paktia, Qataghan, Farah and Shiberghan will be installed and put in use.

422 Five civil hospitals and three women's hospitals in the Provinces where the number of patients are increasing will each receive 10 additional beds.

RURAL DEVELOPMENT DEPARTMENT

Highlights of progress

Training

Courses for organizers of the elementary eduction were estabshed. 47 students selected from the graduates and students of the Teachers Training School completed the first course. A second course was started with 17 students from the Teachers Training School. The students trained will be appointed to organise elementary education as teachers. One year course for village development workers was started with 30 students. One year Industrial Cooperation Course was completed and 11 students graduated. Eight of the graduates were assigned to the various projects and three were assigned to the Ministry of Mines and Industries. Refresher courses for the village development workers and courses for the specialised officers, directors and assistants were established. Women and girls were trained in various household subjects at the Women's Welfare Centre in Kabul. Three persons went abroad for studies and a number of United Nations Experts have been available as advisers and trainers in the fields of administration, Agriculture. health, sanitation, eduaction, social welfare, cottage industries etc.

Projects

Five Projects have come in operation; one in Shewaki two in Logar, one in Parwan and recenly one in Noristan. Five Project commitees were established, one for each project with the aim of studying the Projects and giving recommendations on the Projects.

97 primary and village schools were established. 17 literacy courses and 12 social welfare centres were opened and films were widely used as a means of education. Considerable amount of agricultural extension was work carried out. Modern tools and implements and modern agricultural methods were demonstrated. Improved fruit trees, vegetables and cereals were introduced. Plant protection was taught and the use of insecticides was demonstrated. Animal husbandry was taught and veterinarian services were commenced including vaccination of more than 40,000 animals against various diseases. Health centres were established and medical treatment was given to a large number of people. More than 60,000 persons were vaccinated against contagious diseases, in particular smallpox. An increasing number of pregnant women registered at the health centres and nurses assisted in a number of baby deliveries. Courses, lectures, films and demonstrations were given on the subjects of sanitation and health. Village development workers assisted in digging latrines and wells and in providing clean water through the pipes.

Performance During the Third Year of the Plan

1 Adminstration

11 Provincial Councils: The Parwan Rural Development Project was inaugurated and a Provincial council for this Project was established. The possibility for establishment of a Provincial Council in Logar was studied.

12 Project Committees: Four project committees, one for each project were established. They held regular meetings for the purpose of coordinating the progrmmes and the work in general.

2 Training and foreign experts:

211 United Nations experts continued to render assistance to the Rural Development Department as advisers and instructers in various fields. An expert in leather tanning was requested from ILO for the Leather Training Institute, Charikar.

212 The scholarships offered by the United Nations were used. Two persons were sent abroad under UN scholarships; one to study eppdinology and another to study rural housing.

22 The course at the Gulzar Training Centre for elementary educational organisers was continued and 12 students completed the course and returned to the Teachers Training School. A second group started the course.

231 The course for rural development workers was continued with the assistance of the Asia Foundation.

232 One year industrial cooperative course was opened with 11 students from 12th grades of the School of Commerce and other schools.

23 A training course for women was opened in Bini Hissar with 31 students. The course included house keeping, tailoring,cooking childcare etc. A kindergarden was opened in the Shewaki Training Centre.

3 Shewaki Project

31 Education: Five literacy courses were organised at

Shina, Bini Hissar and Bagram with 116 persons attending the courses. Four of them with 71 students were continued throughout the year. The five elementary girls' schools were attended by 373 girls, and the 9 village schools were attended by 353 pupils. Films were shown in the schools and milk and soap were distributed to ths children.

32 Agriculture : Experiments on wheat were commenced on variouss plots of land. 670 kilos of wheat was cleaned and London wheat was sown experimentally. Chemical fertilisers were introduced. 1500 Japanese mulberry trees were planted in different places. A campaign against locusts was carried out on 100 hectares (500 jiribs) of land. 10,050 trees were sprayed with chemicals. Chemical fertilisers were used on 9 hectares (44 jiribs) of land with wheat and corn and good results were obtained. American Riskhra grass was planted on 1 hectare (5 jiribs) of land. Seeds of American and Chinese vegetables were distributed to the people. A number of trees were pruned and grafted. 20 tins of silkworm eggs were distributed.

Advice was given to the farmers in 12 different villages on methods of cultivation of apricots, almonds, apples, mulberry and walnuts; on how to control melon diseases, the care of young trees and fodder grass. The vaccination programme for animals was continued. 20,433 animals were given veterinary treatment, 575 animals were castrated. 156 animals were artificially insominated. Lectures were given and films were shown on agricultural techniques.

33 Health : 145,585 people received medical treatment and check. 220 baby deliveries were assisted by nurses, some of them in hospitals. 21,423 pregnant mothers and 795 healthy babies were registered, powder milk and soap were distributed to them. 196 persons received dental treatment. 32,339 persons were vaccinated against varicus diseases. Films on health were shown and health instructions given.

930 latrines were built or repeired. 24 wells were dug and water pumps were installed. DDT Powder was used in the area.

37 Women's welfare. : The Institute of Mothers Protection in Shewaki held courses in the following subjects: Persian. matematics. health, childcare, home economics, tailoring, embroidery, weaving, washing etc. The Women's Welfare Institute of Shewaki provided primary education for women. Advice with regard to home economics etc. was given to the women. The personnel of the Institute consists of one female head of the Institute, one female expert, one interpreter, one organiser and three female teachers. This institute has its centre in Bini Hissar and two branch centres, one in Kamari and one in Char-Asiab. 47 students attended the courses of the Institute in such subjects as weaving, embrodiery, tailoring, Persian, mathematics, health, education and home economics. Kindergardens with 67 children were established. The local people have taken much interest in the work of the Institute and the work seems to have been successful.

38 Social centres: The four social centres in Shewaki, Kamari, Char Asiab and Bini Hissar continued their activities. Film performances were used at meetings of the centre.

4 *Logar Project*

41 Education: 60 children attended the two village schools of Abazal and Qala Shaei. Eight, boys and girls schools, with 255 pupils were established. Kindergardens with 14 children were established. A social centre was started. A number of educational films were shown.

42 Agriculture: 3109 trees were grafted or pruned. 1747 vine trees were pruned. 316 trees, 3 hectares (15 jiribs) of land and 51,270 vines were spread with chemicals. 229 hectares (1145 jiribs) were protected against locust. New equipment for harvesting was demonstrated by harvesting 3 hectares (15 jiribs) of land. Demonstrtion of tree planting was carried out through planting of 456 trees. Foreign vegetable seeds were distributed to farmers and advice was given on their cultivation. 122 chickens and 80 eggs of good breed for hatching were distributed to the farmers. 13,963 animals were givan veterinary treatment or vaccinated. 6,149 animals were castrated. 2,250 chickens were vaccinated. A road between the head quarter for the project and the main road, was constructed with the help of the local people. The Qandahari bridge was repaired.

43 Health : 16,554 people received medical treatment or were medically examined or vaccinated against different diseases. Care of expectant mothers was undertaken and nurses assisted in baby deliveries. Lectures were given and health films were shown to more than 900 people.

Four girls commenced their training courses in midwifery to become midwife-assistants.

The pumps of eleven wells were repaired. One water pump was installed. 21 latrines were built. DDT powder was sprayed.

Women's welfare: The Institute of Mothers Protection in Logar commenced training of girls for maternity nursery and employed two women to teach embrodiery. A women's welfare centre was opened in Kotob-Khel and 11 women attended the centre.

6 *Parwan Project (new project)*

61 Education: Some of the departments of this new project started their work .

One primary school for girls with 17 pupils, and one primary school for boys with 22 pupils were opened. The question of extension of the education was discussed with the local people.

62 Agriculture: About 6 hectares ($28\frac{1}{2}$ jiribs) of land, 850 vineyards and 360 trees were sprayed against various plant diseases. 403 animals were castrated and 3891 animals were given veterinary treatment . 16 animals were vaccinated. 15 lectures on agriculture were given to about 680 people.

Expenditures During the Third Year of the Plan

CODE NO	PROJECT	IN FOREIGN EXCHANGE	EQUIVALENT IN AFGHANIS	IN AFGHANIS	TOTAL IN AFGHANIS
1	*Rural Development Department*	Dollar 1,340.00	43,349.00	2,714,154.00	2,757,503.00
2	*Training:*				
23	Training Centre			210,589.99	210,589.99
3	*Shewaki Project:*				
31	Education			909,785.55	909,785.55
32	Agriculture			443,896.45	443,896.45
33	Health			733,769.53	733,769.53
34	Village Industries			196,705.42	196,705.42
35	Housing			5,130,491.00	5,130,491.00
36	Ccmmuications			63,189.00	63,189.00
37	Social welfare			275,732.00	275,732.00
	Andmistrative expenditures	P,R.5,009.00	34,012.00	208,421.00	242,433.00
4	*Logar Project:*				
14	Education			215,783.88	215,783.88
42	Agriculture			305,253.50	305,253.50
43	Heaith			325,326.57	325,326.57
44	Village Industries			118,779.23	118,779.23
45	Housing			211,944.00	211,944.00
46	Communication				
47	Social welfare				
48	Administrative expenditures	P.R. 5,009.00	34,012.00	86,533.00	120,540.00
5	*The Second Logar Project:*				
51	Education			82,083.91	82,083.91
52	Agriculture			91,363.00	91,363.00
53	Health			109,005.11	109,005.11

CODE NO.	PROJECT	IN FOREIGN EXCHANGE	EQUIVALENT IN AFGHANIS	IN AFGHANIS	TOTAL IN AFGHANIS
6	*Parwan Project:*				
61	Education			112,682.36	112,682.36
62	Agriculture			135,252.32	135,252.32
63	Health			146,947.32	146,947.32
64	Village industries			75,992.60	75,992.60
7	*Nuristan Project:*				
71	Education				.
72	Agriculture				.
73	Health				.
74	Village Industries				.
75	Housing			613,541.05	613,541.05
	Administrative expenditures			226,901.32	226,901.32
	Total	P.R. 10,018.00 Dollars 1,340.00	111,373.00	13,744,123.11	13,855,496.11

Performance During the First Six Months of the Fourth Year of the Plan

1 *Administration*

11 Provincial Councils: The Provincial Council of Parwan continued its functions. A provincial Council for the Nurstan Project was established and is expected to commence its work during the year. It was found that no provincial councils were needed for the Shewaki and the First and Second Logar Projects because these projects are colsely connected with Kabul area and with the central administration of the rural development projects.

12 Project Committes: The four project committees continued their work and the fifth project committee for Nuristan was established and commenced working.

2 *Training And Foreign Experts*

21 One person went for a three months scholarship sponsored by ILO to India to study the use of machinery for production of bonemeal.

22 The Elementary Education Organisers' course was continued with 17 students till 12th October. An orientation course commented on 11th December and continued till 23rd December .

23 The training course for 30 village development workers was continued. Films and pictures were shown as a part of the training course. A refresher course for 4 $\frac{1}{2}$ weeks was held for 45 village development workers of the Logar, Shewaki and Parwan Projects. A two weeks course was started for 10 directors and assistants of the blocks.

24 The one year industrial cooperative course was completed and 11 students graduated. Three of them were assigned to the Ministry of Mines and Industries and the other eight were assigned to the rural development projects.

3 *Shewaki Project*

31 Education: One girls school with 28 pupils was opened. Teachig material was distributed to the schools when they opened after winter vacations. The literacy courses continued. One new literacy course was started in Kamari with 10 students.

32 Agriculture: 815 chenar trees were planted on both sides of the Shewaki road. 350 chinars, 60 nastran flower bushes, 60 rose bushes, 100 trees of mashnumbed and 400 trees of sour cherries were planted in the Gulzar farm. 51 trees were pruned as a demonstration. A pump for spraying chemicals, a knife for grafting and scissors for pruning were given to the people.226 animals were castrated, 1281 animals had veterinary treatment. 985 chickens were vaccinated and had veterinary treatment. 110 animals were vaccinated and 200 chickens of good breed were given to the people.

225 kilos of wheat was cleaned and an amount of wheat was chemically treated against rust. 21 varieties of nebred wheat and 9 varieties of Riska grass were distributed to the farmers. 85 kilos of seed almonds, 10,000 seed walnuts, 79 kilos of apricot seed and 1 kilo of mulberry seeds were planted at the Gulzar farm. 9 kilos of silk cocones were produced.

33 Health: 44,227 people had medical check and treatment. 7,707 People were vaccinated against contagious diseases. 220 prgnant women and 265 babies were registered. 197 child deliveries took place under hospital supervision. 30 film performances were given and 34 lectures on heath were held

Sanitation 340 latrines were repaired. Six wells were dug and had water bumps installed. Two waterpumps were prepared. The health propaganda and informative activities were continued. DDT powder was spread, covering 47,734 people, 80,522 pieces of clothes, 760,767 beds, 88 shops and 62 mosques. A drilling pump was built in the workshop and installed.

37 Women's welfare: The well fare activities of the women Institute were continued till the beginning of the winter vacation.

38 Social centres: A social center was opened in Bagrami.

4 First Logar Project:

41 Education: Three adult literacy courses were opened. Six educatonal films were shown and more than 70 people attended each show of the films.

42 Agriculture: 11,000 kilos of wheat were cleaned. 27 kilos of Nebred wheat was distributed to the farmers. 5 tins of chemicals for use against wheat rust were distributed to the farmers. 1364 animals had veterinary treatment. 171 trees were pruned as a demonstration, 5 apple trees were planted.

43 Health: 11,091 people received medical treatment and 3,473 people were vaccinated. 18 pregnant women and 1,213 healthy children were registered. 7 baby deliveries took place under hospital supervision. DDT was spread covering 265 people in hospitals. 10 films were shown and 13 lectures held.

Sanitation: DDT was used on 33,822 people, 23,780 rooms 76,084 pieces of clothes, 12 schools, 159 mosques, 4,752 houses and 176 shops. 3 water pumps were repaired. Health advice was given to the people in particular on the use of DDT powder .

46 Communication: The Qandahari bridge was surfaced with sand and two other bridges built, one in Bini Raham Abat and one in Qala-i-Shekhak.

47 Women's welfare: The Women's Welfare Institute of Kotob Khel continued with 11 students. Two bundles of sweaters for children were made.

48 Two Social Centres were opened.

5 *Second Logar Project*

51 Education:
Five village schools with 165 pupils were established. Six literacy courses were opened:

52 Agriculture: 2,940 kilos of wheat were cleaned. A number of lectures on health and agriculture were given and films were shown.

53 Health: The health activities started on the 23rd of October 1959. 2,380 people were medically examined and treated. DDT powder was used covering 5, 834 people, 1, 204 houses, 48 mosques, 33 shops and 26,892 pieces of clothes.

6 *Parwan Project*

61 Education: One girl's school with 15 pupils, 10 village schools with 162 pupils and two literacy courses with 35 people were opened. Discussions were held with the local people in various places about the opening of further schools and literacy courses.

62 Agriculture: Nebred wheat was sown in 1 hectar (9 jiribs) on an experimental basis. 2,975 kilos of wheat belonging to the local farmers were chemically treated against diseases. 8,297 kilos of wheat were cleaned in a winnowing machine. 148 trees were pruned as a demonstration. One jirib of land was cultivated with clover. 373 animals were castrated. 5,151 animals and 2,468 chickens were vaccinated. 1,688 animals were given vetarinary treatment and 26 chickens were distributed. Lectures on agriculture were held for more than 300 people.

63 Health: 5,287 people were examined and given medical treatment. 404 persons were vaccinated. 4 pregnant women and 34 babies were registered. One child delivery took place under hospital supervision. Health lectures were held regularly on Tuesdays.

64 Communiction: The Khodja Seyaran road $2\frac{1}{2}$ km was rapaired.

68 Social activities: Three social centres were opened in Inchia Bayan Ulla and Bini Oshtorkar.

7 *Nuristan project*

71 Education: The following educational institutions were started:

an adult literacy course with 15 persons
a girl's school in Berikot with 20 girls
a boy's school in Nahreh with 45 boys
a school in Gordeh with 20 boys and 10 girls
a school in Patigal with 20 boys and 10 girls.

72 Agriculture. The activities were started during the fourth quarter in this new project. An experimental farm with 2 jiribs ($\frac{1}{2}$ hectrares) of uncultivatated land was established in Berikot. 34 people worked one day each on the farm to prepare it for cultivation. Various vegetables and 600 trees of Bihi were planted on the farm. Furthermore 400 orange trees, 65 lokaht trees 10 apple trees and 5 cherry trees were planted. 300 other trees were pruned as a demonstration. 78 animals had veterinary treatment. 50 chickens and 2 cows were vaccinated.

73 Health: 1,317 people were given medical treatment.

78 Social activities: Two Social centres were opened, one in Berikot and one in kamdesh.

Expenditures During the First Six Months of the Fourth Year

Code No:	Name of Project	in Foreign exchange	Equivalent in Afghanis	in Afghanis	Total in Afghanis
1	***Rural Development,***				
	Department	—	—	947,934.08	947,934.08
23	Training Centre	—	—	231,416.81	231,416.81
3	***The Shewaki Project***				
31	Education	—	—	230,406.56	230,406.56
32	Agriculture	—	—	197,553.57	197,553,57
33	Health	—	—	269,635.57	269,635.57
34	Village Industries	—	—	150,123.58	150,123.58
35	Housing	—	—	877,241.06	877,241.06
36	Communications				
37	Social welfare	—	—	182,229.39	182,229.39
4	***The First Logar Project***				
41	Education	—	—	41,003.65	41,003.65
42	Agriculture	—	—	49,806.10	49,806.10
43	Health	—	—	88,333.12	88,333.12
44	Village Industries	—	—	32,993.65	32,993.65
	Administrative expenditures	—	—	212,046.69	212,046.69
5	***The Second Logar Project***				
51	Education	—	—	49,964.49	49,964.49
52	Agriculture	—	—	6,374.60	6,374.60
53	Healths	—	—	115,360.27	115,360.27
	Administrative expenditures	—	—	58,733.35	58,733.35
6	***The Parwan Project***				
61	Education	—	—	37,325.04	37,325.04
62	Agriculture	—	—	21,817.59	21,817.59
63	Health	—	—	37,641.64	37,641.64

Code No:	Name of Project	in Foreign exchange	Equivalent in Afghanis	in Afghanis	Total in Afghanis
64	Village Industries	—	—	6,947.12	6,947.12
65	Housing	—	—	—	—
66	Communication	—	—	100.00	100.00
67	Social welfare	—	—	69,818.12	69,818.12
	Administratrive expenditures	—	—	72,392.27	72,392.27
7	*The Nuristan Project*				
71	Education	—	—	9,940.00	9,940.00
72	Agriculture	—	—	5,584.00	5,584.00
73	Health	—	—	7,040.00	7,040.00
	Administrative expenditure	—	—	54,004.00	54,004.00
	Grand total	—	—	4,063,766.32	4,063,766.32

Objectives of the Fifth Year

New Projects

Three new projects will be started during the fifth year, one in Darar Pech, one in Khost and one in Ghazni. The preliminary surveys have been carried out.

Education

35 village schools for boys and girls, 19 social centres and 35 literacy courses will be opened under the various projects.

Health And Sanitation

10 new health centers will be opened under the different projects. Health propaganda will be carried out to an increased extent by the help of health Officers and showing films. 65 wells with water pumps and 1500 cemented latrins will be constructed. The activities within preventive and curative medicines will be increased.

Women's Welfare

Two women welfare centres, one in Logar and one in Parwan, will be opened.

Village Industry

Surveys will be carried out with the purpose of finding the most promising possibilities for starting village industries. Various industries will be started following the results of the surveys.

Agriculture

Campaigns against animal and plant diseases will be carried out to an increased extent. Improved seeds will be distributed to the people and guidance will be given in cultivation of these improved seeds. The distribution of better tools and implements and also of better breeds of animals will be continued. More emphasis will be put in finding better ways of fertilizing through the use of compost and green manure.

The National Training Centre

90 village development workers will participate in the one year training course conducted by experts. One month courses for specialists and 15 days courses for the block directors and technical inspectors, will be conducted.

Buildings

The building of the National Training Centre now under construction is expected to be 70% completed. The buildings of the centre and the technical offices of the blocks of Nuristan, Parwan, Logar 1, Shewaki are expected to be 75% completed.

KABUL MUNICIPALITY

Highlights of Progress

1 Training

11 Training of officials abroad: Two officials of the Municipality were sent abroad under the auspices of W.H.O.

12 Employment of foreign experts: A number of foreign experts were employed for asphalting, concrete works, water supply, construction and architecture. Some of these experts also gave instructions on the job training.

2 Water Supply

21 Digging of wells: Four deep wells from 50 to 57 metres deep were dug. The construction of a water station was completed.

22 Laying of Pipes: Many pipes were laid in various parts of the city. The general reservoir and the old Paghman Water Reservoir were connected. The new Paghman Water Reservoir is being continued. The construction of a protection wall for the paghman Water Reservoir Filter was started.

A machine for boring pasages under asphalted streets was purchased.

3 Sanitation

31 Sewage: The laying of pipes in Mohamad Jan Boulevard was completed.

32 Public latrines: Public latrines were being built in various parts of the city.

33 Butchers shops were improved hygienically.

4 Roads And Streets

41 Construction of roads and streets: A large part of the city streets were constructed and made ready for aphalting.

42 Asphalt: The asphalting of the main streets of the city was almost completed. Parts of the secondary streets were also asphalted.

5 Illumination

The first street illumihation project was completed.

The second project was started and a large amount of equipment was purchased. Fifty percent of the second project was completed.

The Zahir Shahi Park, the Public Gardens at Paghman and the Parwan Mina Park were illuminated.

6 Construction

The buildings in the first section of Parwan Mina were almost completed,

The construction of the Municipality building was progressing rapidly.

The hot house at the Zahir Shahi Park was completed.

7 Recreation Areas

The Zahir Shahi and Barikot Parks were completed. Work on the Parwan Mina Park was being continued. The children's amusement area in the Zahir Shahi Park was inaugurated.

73 Cinemas: The construction of the Park Cinema was completed.

The Ariana Cinema was under construction.

Two cinemascope projectors and other equipment were purchased.

8 Equipment

The Kabul Traffic Department was equipped on modern lines.

A number of trucks and special vehicles for street cleaning were purchased.

Performance During the Fourth Year

(*Up To* 19 *July* 1690)

1 Training

12 Employment of foreign experts: The following experts were employed by the Municipality:

One West German engineer for concrete works
One Austrian Architect
One Japanese water supply expert
One Soviet motor repair expert
Two Soviet asphalt experts.

2 Water supply and laying of pipes

22 The Paghman water pipeline was extended by 420 metres.

The water pipe lines in Carte-Char were extended by 1,206 metres to cover 108 additional houses and the area around the Teachers' Training School.

The construction of a wall for the protection of the

Paghman water filter at Deh Afghanan was being continued.

A machine was purchased for boring passage undr asphalted streets for the laying of pipes.

3 *Sanitation*

The Municipality assisted the owners of meat selling shops in raising the hygienic standards of their establishments.

32 Public latrines: Two new latrines were built in Paghman and the existing ones were repaired. Ten new latrines, made of cement, were being built in various parts of the city of Kabul.

4 *Roads and Streets*

41 Streets were repaired and made ready for asphalt. The concrete ditches on both sides of the streets from the Women's Welfare Society up to the Sherpur Mosque were improved. The work on improving the ditches between the Sherpur Mosque and the Ansari crossroads was being continued.

42 Asphalt: Fifteen kilometres of streets were laid with three layers of asphalt. The asphalting of the other streets was being continued.

5 *Illumination*

Fifty percent of the second project for the illumination of the city of Kabul was completed. 170 lamposts were purchased from the Siemens Co. for the Exhibition grounds.

The Zahir Shahi Park, the Public Gardens at Paghman and the Parwan Mina Park were illuminated.

One thousand one hundred and fifty light bulbs for street illumination were purchased from the Siemens Company.

Twenty lamposts were purchased from the Siemens Company for the first section of Mohamad Jan Boulevad.

6 *Construction*

61 The Pulekheshti Mosque: A portion of the marble work inside the mosque was completed. The demolition of the shops and houses inside the mosque completed. Eight hundred square metres of ceramic tiles were ordered from the Heneman Company for the dome of the mosque and the minaret. The installation of the central heating system for the mosque was being carried out.

62 The Kabul Municipality Building: The construction of the second and third sections of the building was almost completed.

The Exhibition Grounds: The Royal Enclosure and public restaurant on the Maranjan hill were completed.

63 Sewage: Eight man-holes were constructed in Sherpur, Carte-Char, Share -Nau and Wazirabad. Most of the sewage systems in the old city were cleansed and repaired.

7 *Recreation areas*

Parks: The Parwan Mina Park was completed. A number of trees were planted in the park. Trees were planted in the Zahir Shah Park and Barikot Parks.

The hot house in the Zahir Shahi Park was completed and 5,000 flower pots were purchased.

The children's recreation area in th the Zahir Shah Park was inaugurated.

73 Cinemas: The decoration of the Park cinema was being continued. Part of the marble work was completed. Spare equipment was purchased for this cinema.

Two cinemascope projectors were purchased from the Siemens Company.

8 *Equipment*

81 Motor vehicles and spare parts: The following equipment was received from the. U. S. S. R:

14 dump trucks,
12 motor buses,
1 Yaz truck,
1 grader
2 bullpozers,
3 street cleaning trucks.

Equipment for engineering and architectural drawing and one concrete mixer were purchased from the Heineman Company.

Two funeral vehicles were purchased from the Indamer Company.

Equipment for coloured water fountains was purchased from the Siemens Company for the Pashtunistan square and the square opposite the East Gate of the Royal palace.

Actual Expenditures During the Fourth Year (Up to 16 July 1960)

Code No.		Name of Project	In Foreign Exchange	Equivalent in Afghanis	In Afghanis	Total in Afghanis
1		*Training*	*Dollars*			
	12	Employment of foreign experts	13,858.00	486,480.07	60,848.50	547,328.57
2		*Water Supply and Laying of Pipes*	336.00	11,619.18	92,500.45	104,119.63
4		*Roads and Streets*				
	41	Construction & asphalting of roads	76,000.00	2,466,899.93	1,019,248.00	3,486,147.93
5		*Illumination*	21,152.04	687,140.45	30,000.00	717,140.45
6		*Construction*				
		a. Pulekheshti Mosque	—	—	1,100,000.00	1,100,000.00
		b. Kabul Municipality building	—	—	1,500,000.00	1,500,000.00
		c. Exhibition grounds	—	—	308,871.00	308,871.00
		d. Cost of Pulekheshti Mosque area	—	—	1,800,000.00	1800,000.00
		e. Ceramic work for Pulekheshti mosque	7,189.00	258,444.25	—	258,444.25
		f. Central heating of Pulekheshti Mosque	800.00	25,880.00	—	25,880.00
	63	Sewage	—	—	59,501.00	59,501.00
7		*Recreation*				
	73	Cinemas	3,444.00	113,652.00	—	113,652.00
8		*Equipment*				
		a. Vehicles	27,733.02	899,922.12	—	899,922.12
		b. Drawing equipment	518.00	16,757.32	—	16,757.32
		c. Funeral vehicles	3,581.87	116,573.12	—	116,573.12
		d. Water fountain	1,580.00	52,140.00	—	52,140.00
		e. Crockery for Barikot Resaurent	700.00	22,659.85	—	22,659.85
		f. Water pump	290.00	9,425.27	—	9,425.27
		g. Furniture for Barikot Resaurent	IRs. 3,602.48	24,462.23	—	24,462.23
		h. Miscellaneous	—	—	149,556.00	149,556.00
		Total	157,983.47	5,192,055.79	6,120,524.95	11,312,580.74
		IRs.	3,602.48			

1 Dols. = 32.38 Afs.

Objectives for the Fifth Year of the Plan

1 *Training*

12 Foreign experts : Four foreign experts on different aspects of city planning and construction will be employed.

2 *Water Supply*

22 Laying of pipes : The second project and the water supply network will be started.

3 *Sanitation*

31 New public latrines will be built.

4 *Roads and Streets*

Additional 10 kilometres of streets and sidewalks will be constructed.

5 *Illumination*

51 Some of the city streets will be illuminated.

6 *Construction*

621 The Municipality building will be entirely completed.

622 The Ariana Cinema will be completed and will start operation.

623 The Bibi Maru Market will be completed.

6241 The new Pulekheshti bridge will be constructed.

6242 The new bridge between Karte 4 and Karte 3 will be constructed.

625 The Arg Bazar will be demolished.

626 The Muradkhani Bazar will be demolished.

627 The riverbanks of the Chamchamast river from Pulesokhta upto the Barikot park will be reinforced with Stonework.

7 *Recreation Areas*

71 The parks will be extended and improved.

8 *Equipment*

81 Street cleaning equipment will be purchased.

811 Traffic control equipment will be purchased.

Note: The third year performance and expenditure of Kabul municipality was published in the 1958/59 Survey of Progress.

MINISTRY OF COMMUNICATION

Highlights of Progress

Training

Courses in operation and maintenance of all kinds of communication equipment were given to a large number of students in the School of Communication under the Ministry. Some of the technicians of the Ministry went abroad. A number of foreign experts were employed.

Postal Services

84 new post offices were established and supplied with the necessary equipment. The construction of a number of Post office buildings was undertaken, and the building of the General Directorate of Communication in Herat was almost completed. Agreements on air-postal services were concluded with India, Pakistan, Iran and the Soviet Union and arrangements were made for receiving mail directly from and dispatching mail directly to the exchange post office in Amsterdam and the post office in Vienna. These agreements have been provided for a faster exchange of mail between Afghanistan and foreign countries.

Telephone and Telegraph Services

The automatic telephone exchange in Kabul was put in operation on June 1957. The survey of the 1500 lines automatic exchange system in Qandahar was completed and the construction work was started. Most of the equipment has either arrived or has been ordered and the building for the exchange system is more than halfway completed.

The Kabul-Qandahar-Spinboldak channel system was renewed and repaired. A survey was made for the construction of the Qandahar-Herat-Islam Qalah channel system and the material and equipment for the construction was purchased. 40 km. of line were drawn. The extension of the lines for the Kabul-Mazar-i-Sharif channel system was started and equipment for the consruction of the Kabul-Torkham channel system was purchased.

Direct communication by wireless telephone was established between Kabul and Europe, the U.S.A. Canada, U.S.S.R. and Pakistan. A complete telephoto set was purchased.

Performance During the Third Year

1 Training

11 Training abroad: Three persons who were sent to Germany during the second year of the plan for training as technicians in channel systems finished their studies. Two of them returned to Afghanistan during the third year and started to work for the Ministry on the channel systems. The third one will return shortly. One person was sent to Belgium during the second year to be trained as a technician in automatic telephone exchange systems completed his studies and will return shortly.

12 Training locally: 35 students graduated from the two years course in telegraphic and channel systems in the School of Communication under the Ministry and commenced their practical work. 20 persons completed a practical training course as line inspectors and commenced working with the groups drawing lines for the chanel systems. A number of persons completed their training as mechanics and fitters and commenced their practical work in maintenance of transmitting equipment and electric equipment.

2 Postal Services

22. Opening of new post offices:20 new post offices were opened in various parts of the country.

27. Mail services: Facilities were provided for receiving and dispatching mail between Kabul, Mazar-i-Sharif and Qandhar. An agreement was made with the USSR for air postal service. Airmail is carried in both directions 3 times a week, and transit airmail is carried through Moscow.

An agreement was made with the Iranian Airlines for carrying transit airmail through Teheran. An agreement was made with Ariana Airlines for receiving and depatching airmail to and from Europe via the Exchange Post Office of Amsterdam three times a week and for dispatching and receiving airmail to and from USA and other places through the Amsterdam and New York exchange post offiecs. Airmail service between Kabul and Karachi was carried out once a week in both directions by Ariana Airlines and once a week in both directions by Pakistan International Airways. An arrangement was

made for despatching and receiving airmail directly between Kabul Post Office and Vienna, Austria.

3. *Telephone and Telegraph Services*

31 Automatic Exchange System:

311 Qandahar Automatic Exchange System: Three Czechoslovakian experts from the KOD Company surveyed the city of Qandahar and prepared a plan for the establishment of an automatic telephone exchange system. A contract was signed with the KOD company to install a 1,500 lines automatic exchange system. A new building for the central Exchange, was designed by the Czechoslovakian company and the construction was commenced by the Ministry of Public Works. The Construction of the building was 50 % completed.

32 Channel systems:

321 The Qandahar-Herat-Islam Qalah channel system: An expert from the ITU made a survey for a new channel system between Qandahar and Herat. The survey will determine the number of stations to be built, and based on the final report, the Ministry will contact foreign countries to obtain offers for the building of the system. For repairing and renewal of this channel system a contract was signed with the USSR to provide 3,000 Poles with brackets and insulators. A part of the equipment, which will cost 180,000 dallars in all was received.

322 The Kabul-Torkham channel system: The balance of the copper wires ordered during the previous year arrived. Orders were placed with the USSR for the provision of 1,300 Poles, 4,000 brackets and other equipment. A contract was signed with an Italian firm for 2,500 metal poles with four line brackets and insulators for an amount of £ 23,945 of which 14,000 were paid.

323 The Kabul-Mazar-i-Sharif and the Kabul-Qandahar Spinboldak channel systems: The equipment ordered from Germany for these systems was received and additional 2,000 poles with brackets and insulators and other equipment for £ 120,000 were bought and received from U.S.S.R. The repairing and renewal of the Kabul-Qandahar line was carried on by three working groups supervised by Afghan technicians. On the entire Kabul-Spinboldak line 300 km were renewed and repaired during the first six months of the year and 290km during the last six months. The buildings for the installation of the stations were completed in Ghazni, Moqur, Qalat and Spinboldak. An expert from Siemens will come to install the equipment.

34 Switchboards: The following 11 new battery switchboards were bought and some of them have been installed and brought in operation:

a. One automatic switchboard with lines in Lashkargah.

b. One automatic switchboard with 200 lines in Kart-i-Char to be installed when the building is finished.

c. Two cable switchboards of 260 lines in all in Herat.

d. One cable switchboard of 100 lines in Parwan.

e. The six other aerial switchboards were installed in Badakhshan, Shiberghan, Charburjak in Farah, Chakhansur, Nangrahar, Pul-i-Khumri and in Paktia.

37 Wireless stations: Four Wireless telegraph and telephone stations of each 250 watt were bought from Czechoslovakia. Two single sided receivers and two receiver transmitters were bought from Philips, Holland and are under installation in the wireless telegraph station. New transformers were installed for improvement of the wireless stations and the automatic telephones exchange system in Kabul. 10 km underground electric cables were bought from the electric substation to be used by the telegraph house for connection from the terminal building to Mahtab Qala and to Yakatut. The Ministty provided direct radio telephone communication and wireless telegraph communication between Kabul and Moscow and indirect radio telephone communication between Kabul and Peshawar, Lahore and Canada. Wireless telegraph service between Kabul and Karachi was established.

4 *Radio*

The installation of two short wave radio Stations, one of 10 KW and one of 50 KW bought from Western Germany was completed at Yakatut. The 10 KW station commenced operation during the Indendence Day celebrations. It is operating on an experimental basis, for internal broadcast and also broadcasts to the nearby foreign countries. The 50 KW Station started broadcasting on an experimental basis. The work on the large and modern building of 12,000 sq. meters for a new Studio was 50% completed.

Expenditures During the Third Year of Plan

Code No.	Name of Project.	in Foreign exchange	Equivalent in Afghanis	in Afghanis	Total in Afghanis
321	The Qandahar -Herat channel system.			923,063	923,0
	Purchase of Motor vehicles.			702,303	702,3
	Equipment from abroad for 4 projects.			10,387,680	10 387,6
	Salaries for 4 projects			462,470	462,4
	Travelling expenses for civil servants for 4 projects.	DM.5,040	39,262	95,674	134,9
	Local materials for 4 projects.			110,110	110,1
	Local transport cost.			10,000	10,0
322	The Ghazni-Qandahar channel system			470,554	470,5
	Custom duties,bank commission and transport cost.	PKR.46,500	315,735	1,835,384	2,151,1
323	The 4th installment payment of the Mazar-i Shariff-Kabul channel system.	DM.38,955	303,459		303,4
	Salaries for local and foreign personnel	Dols. 3,293	106,528	602,070	708,5
	Rent of houses			5,000	5,0
327	Payment of the second installment of the Kabul-Qandahar channel system.	Dols. 19,458	639,171		639,1
	Motor cars.			27,340	27,3
	Total:	PKR. 46,500			17,035,8
		DM. 43,995	1,404,155	15,631,648	
		dollars. 23,051			

The above figures include only expenditures for the channel system Projects.

Performance During the First Six Months of the Fourth Year

1 *Training*

11 Training abroad: Two officials from the radio telegraph department went to France for studies. Two mechanics who had been in Western Germany for studies returned to Afghanistan and were employed as assistants to the installation engineers on the channel system. 11 persons continued their studies abroad. Three of them were expected to return shortly.

12 Training locally: Eight students at the School of Communications and five graduates from the School of Mechanics participated in the courses on channel systems. Nine engineers and experts conducted training courses in various subjects.

2 *Postal Services*

22. New Post Offices:

221. 27 new post offices were opened in various parts of the country.

222. Building of post offices: The designs and the alotted funds for the construction of communication buildings in Andkhoy, Kohdaman and Ghor were sent and the work was started. The construction of the building for the General Directorate of Communication at Herat was completed except for the tin roof which was being laid

3 *Telephone and Telegraph Services*

31 Automatic exchange systems:

311 The 1,500 lines automatic exchange system in Qandahar: The covering of the first storey of the building was completed and the construction of the rest of the building was being continued. 1500 telephone poles were imported and brought to Qandahar and the equipment for the network and for the exchange plant was expected to arrive s oon.

32 Channel systems:

321. The Qandahar-Herat channel system: 40 kilometers of lines were drawn.

322. The Kabul-Torkham channel system: The equipment arrived in Kabul.

323 The Kabul-Mazar-i-Sharif and Kabul-Qandahar channel system: The extension of 40 km line was carried out from Kabul towards Mazar-i-Sharif.

324 The Qandahar-Spinboldak channel system: The remaining 32 km of line extension were completed. 42 km lines were drawn between Shahr-i-Safa and Qalat.

33 Wireless telegraph: Of the fourteen 250 watt wireless telegraph units one was put in operation in the port of Qizil Qala and two in the centre of Kabul. Another will be sent to Farah. The installation of two receiver cycle site antennae was completed. An amount of spare equipment for the wireless telegraph station was ordered from abroad. The wireless telecommunication service via Paris was continued to all European countries and to North America. A complete telephoto plant was purchased during the period under review. The transmitting of photos between Moscow and Europe was continued.

35 Maintenance of lines: The lines between Mazar-i-Sharif and Badakhshan on a distance of 157 km were doubled .

Switchboards: 38 switchboard towers with 45 automatic lines, 300 meters linoleum, 300 aerial switchboards and 50 tons of wires were ordered from abroad.

Expenditures During the First Six Months of the Fourth Year.

Code No.	Name of Project.	In Foreign exchange.	Equivalent in Afghanis	In Afghanis.	Total in Afghanis.
311	The Qandahar Automatic exchange system	Dollars £ 5,755/7/6	521,287		521,287
321	The Qandahar-Herat channel system.	500,000	16,175,000		16,175,000
322	The Kabul-Torkham channel system.	£. 4,972/8/6	450,363		450,363
324	The Kabul-Mazar-i-Sharif channel system.	£. 4,972/8/6	450,363	493,985	944,348
	The Kabul-Qandahar channel system.	59,538	1,926,021	—	1,926,021
	Total:	559,538 £. 15,701/4/6	19,523,034	493,985	20,017,019

Rate of exhange: 1 Dols. = 32.35 Afghanis.
1 £ = 90.58 ..

The above figures include only expenditures for the channel system projects, and the Qandahar automatic exchange system.

Objectives for the Fifth Year of the Plan

1 *Training*

11 Training abroad: 4 apprentices will be sent abroad for training in radiotelephone and radio telegraph techniques. 11 students already in USA and Europe will continue their studies.

12 Training locally: 20 students in telegraph and 20 students in post office work from the School of Communication will complete their courses. They are expected to take up practical work together with 20 mechanics who will also complete their training at A. I. T. A course in line inspection and a course in teleprinting will be conducted in the Ministry.

2 *Postal Services*

221 Establishment of new post offices: 30 new post offices will be opened in the following districts:
Kabul, 3 post offices, Qandahar 2, Herat 3, Mazar-i-Sharif 2, Qataghan 2, Nangrahar 2, Paktia 2, Ghazni 2, Girishk 1, Farah 1, Oruzgan 2, Maimana 1, Shiberghan 1, Badakhshan 1, Bamian 2, Parwan 2 and Ghurat2.

222 Building of new post office: 10 new post offices and 3 new houses for the Director-Generals of Communication will be built. The Dirctorate General of Communication in Qandahar will be completed. A second storey will be built to the Directorate of Communication in Baghlan.

223 400 new post boxes will be installed in Kabul. The postal museum, located in the Ministry of Communication will be transferred to a newly constructed building. 12 new stamps will be issued.

3 *Telephone and Telegraph Services*

31 Automatic Exchange System:

311 The construction of the second floor of the automatic exchange system in Qandahar will be completed. The 1500 lines exchange system will be installed and brought in use.

312 An automatic telephone exchange of 200 lines will be installed in Kart-i-char in Kabul.

313 500 new telephones will be installed in Kabul and the provinces.

32 Channel systems:

322 Lines for the Kabul-Torkham channel system, 170 km long will be drawn.

325 The line extension for the channel system Kabul-Pul-i-Khumri-Qunduz: 350 km, long will be undertaken.

326 The line extension for the channel system Keshk-i, Nakhud - Girishk-Del Aram: 80 km long, will be undertataken.

33 Buildings for channel systems: Channel system stations will be installed in Qandahar, Spin-Boldak, Kabul and Bolola on the Kabul-Mazr-i-Sharif lines.

34 Switchboards: New aerial switchboards will be installed in Kabul and the provinces.

37 Wireless : Three stations for wireless telegraph and telephone will be installed in Kabul and the provinces. Two 2 KW wireless stations will be installed in Kabul. A telephoto station will be operated on a commercial basis for transmitting photos between Afghanistan and Europe. A wireless telephone connection will be established between Kabul and Delhi.

AFGHAN AIR AUTHORITY

Highlights of Progress

Meteorology:

A model training centre was established in Darulaman for practical training of weather observers. Regular training programs were established for weather forecasting radio sonde operations, pilot balloon operations and climatology. A number of students went abroad for studies in various fields of meteorology.

The Meteorologic Institute in Kabul was established. 11 third class weather observation stations were established in Qandahar- Qunduz, Baghlan, Herat, Mazar-i-Sharif, Ghazni, Jalalabad, Darulaman, Farah, Girishk and Bagram. Baloon stations were opened in Kabul, Qandahar and Karizimir. A climatologic laboratory and other laboratories with workshops were opened.

Aviation

60 students completed their studies at the Junior Aviation Course and the course is now continued for 125 students. 198 students graduated for the Accelerated Aviation Course of 18 months' duration and the course is now continued for 305 students. Regular courses for technicians, mechanics, electro mechanics, communication operators and air traffic controllers are established at the operational Training Centre in Kabul. A number of students in Afghanistan have completed their training in air traffic control, communication and mechanics abroad. A number of pilots received their preliminary training in Afghanistan and went to the USA to complete their training.

Ariana Airlines

The Ariana Airlines extended its international service by opening a weekly service to Frankfurt, Germany. One DC-6 aircraft, two DC-4 air-crafts and four DC-3 aircrafts are in operation. It is the intention to purchase another DC-6 aircraft for international services, and to replace the DC-3 aircrafts with the heavier Convair aircrafts for domestic flights when the domestic airports have been improved. Large scale training programs in almost all kinds of aviation activities, technical and administrative, are being carried out for the staff of the airlines.

Airports

The runways, taxiways and aprons at the new Qandahar International Airport were completed and a temporary communication installation was also comleted. The work on the buildings, roads and all auxiliary installation is in progress. The modernization of Kabul airport and the work of improving the other domestic airports to enable them to receive heavier aircrafs, was commenced in Herat, Maimana, Mazar-i-Sharif and Jalalabad.

Progress During the Third Year of the Plan

1 Meteorology

11 Training: After the completion of the practical training of the five forecasters, one was sent abroad to study weather forecasting and another to study climatology.

Training of operators for reception of meteorological data was conducted in Kabul for four students during four weeks. A four months radio sonde course was conducted with 8 students. Equipment for the radio sonde course was supplied by the World Meteorologic Organization (WMO). Students in the pilot baloon section attended a course in Darul-aman conducted by a foreign expert.

124 Meteorologic establisments: One receiver sonde and a plotting section were opened in Darul-aman. A forecast section was opened on an experimental basis in Kabul for preliminary preparation of forecast.

125 Approximately £ 70,000 of workshop and laboratory equipment was purchased for the meteorologic establishments. The laboratory annex at the meteorological building was installed.

2 Aviation

211 The Junior Aviation Course at Yakatut was continued and a new course was started with 68 new students

212 The Accelerated Aviation Course in Qandahar was continued and 198 studens out of 200 passed the annual examination. They commenced their second year of the course which includes subjects such as English communication, technical training, air traffic, aviation, electronics, mathematics and typing. 50 typewriters were provided for the

course.A loud-speaker to be used for receiving communication codes was set up.

Another accelerated aviation course was opened in Kabul w'th 100 students.

213 Courses within the Operational Training Centre established with the assistance of the ICAO were continued. A course in rapair of motor vehicles for 52 students and a course in communications for 5 students were conducted. A radio maintenance course was opened for 16 high-school graduates.

214 The Civil Aviation Technical Course was continued.

215 Students completed their, trainingn air traffic contol in India and returned to take up work as air traffic controllers in Kabul. Three students went to USA to study air traffic control and communication. Four students of of those sent abroad in the second year, completed their studies and returned to work on communication techniques in Kabul.

221 Ariana Airlines: Training of 210 persons of the staff as pilots, technicians and office personnel was conducted with assistance from Pan Americn Airways.

222 Two DC-4 and three DC-3 air planes were repaired in England. One DC-3 airplane was repaired in India.

Arrangaments were made for opening a service to Frankfurt and the radio system on the DC-4 lines to be operated on this service, was changed so that they can receive the high frequency VHF signals used in Europe. Spare equipment was purchased and 75% of the equipment was received.

213 Qandahar International Airport: Work on the technical structure in Qandahar International Airport was continued. 90% of the erecting of 14 communication towers 60 feet high and one tower 210, feet high for the transmitters were completed. The sentry boxes around the V.O.R plant were 70% completed. The excavation work and the asphalting of the 3,200 meter runway 45 meters wide, were completed.

The taxiways parallel to the runway with three high-speed turn-offs, a 75 x 50 meter hangar with workshops and offices, concerte pavement of the apron in front of the hangar floor, concrete pavement of the apron in front of the terminal and the pivoting beacon were completed. The lights along the runway were installed.

65 % of the building of the transformer and the fencing of the airport were carried out.

50% of the following constructions were carried out: Asphalting of the two south-north taxiways, concrete pavement of the terminal apron. installation of lights on the apron, digging of a deep well to provide water for the hangar, laying of waterpipes to the airport road of km. including asphalting up to runway marks, laying of the road, setting up runway marks, laying of pipelines, drawing of the distribution network or electricity and installation of central heating in the hangar.

10 % of the following were carried out:

Designing the airport buildings, installation of 25 reservoir tanks and four fuel tanks with a capacity of 525,000 gallons including hydrant system for distribution of fuel to the apron.

233 The old Qandahar Airport: The ticket office, the passport office, the hotel the information room the communication room and the control room were completed. The construction of a hangar and a nose hangar was 80 % completed. An annex to the nose hangar, a depot building and the building for generators and electric control were completed.

Four garages in the restaurant building and the office of the ICA engineers were completed. A large store room for equipment was built. The work on the beacon and the guard building, two storeys high with 4 offices was completed.

7% of the civil aviation school, 80% of a dormitory, 47% of another dormitory, 40 % of the construction of the Club and 6o% of the office buildings were comlpeted. Two buildings for engineers were rented and a two storeyed house with modern equipment was purchased.

Four radio towers, one 210 feet high and three 150 feet high with installations and two 10 kw petrol generators. tanks and three diesel generators of 18-75 KW for lighting of the airport were completed.

The installations for radio transmission from air to land were made. Frequency towers of 110 and 118 megacycles and VHF frequency towers were constructed. A station for temporary comunicatication between Qandahar-Teheran, Qandahar- Karachi and Qandanar,Kabul-Delhi was constructed.

24 Other airports:

241 Kabul airport: The design for a modern terminal with an air traffic control tower was completed. The taxiway, a passengers pavement and the apron were 15% completed by the Ministry of Public Works. The customs building, the passport building, sanitary installations and a bank were completed. A generator for electric power and a temporary control tower, temporary garages and a temporary radio communication station were also completed. The construction of tne aviation clubs in Paghman and Chaman-i-Huzuri were completed. The fire brigade equipment was ordered.

242 Herat airport: 60 % of the terminal, and 70 % of the building for the generator and the garages were carried out. A tempory radio communication station was established.

The generators for electric power were also installed. Three radio towers, 60 feet high and one tower of 150 feet were erected. The building of an aviation club in the city and other buildings was being carried out. 60% of the work was completed.

The asphalting of the runway 2,500 meter long and 45 meter wide and the construction and asphalting of taxiways and apron, were being carried out. The equipment for the fire brigade was orderd and will arrive shortly. Fuel tanks of 21,000 gallon capacity in all were purchased.

Mazar -i- Sharif airport: The construction of the terminal and the control tower, the construction of a runway with a resistance of 100,000 pounds, the construction of the taxiway and the construction of a hangar was planned and designed. The work will be started shortly by the Ministry of Public Works. Two temporary ten-room buildings were constructed in the airport and were used as stations for communication.

245 Qunduz Airport: The Plan for construction of a new terminal was b.ing prepared. The building of a temporary terminal was completed- A temporary station for radio communication was completed. The constructing and asphalting of the runway, 2,000 meter long 45 meter wide, the construction of taxiways, the asphalting of the apron, 200 meter long and 100 meter wide are, being undertaken. The fire brigade equipment was ordered. Fuel tanks of 21,000 gallons capacity were purchased. Modern equipment for bathrooms and electric equipment were ordered.

246 Jalalabad Airport: It is intended to build the runway 3,000 metres long, and 45 meter wide with a resistance of 100,000 pounds weight in all, sufficient for receiving Convair 340 CV. The construction and asphalting of the taxiway with the above mentioned standards and the asphalting of the apron, 200 meter, will be carried out by a foreign firm. Fuel tanks with a capacity of 21,000 gallons in all were purchased from USA and were received. Equipment for the fire brigade and equipment for bathrooms were ordered and part of it received.

A temporary communication station in Ghazni was completed. The primary work of station for permanent communication was also completed.

Actual Expenditure During the Third Year of the Plan

Code No.	Name of the Project	Expenditures in foreign currency (Dollars)	Equivalent in Afghanis	Expenditure in Afghanis	Total. Afghanis
1	*Meteorology*				
11	Training of weather observers			9,198	9,198
12	Building of AAA H.Q.			7,840,126	7,840,126
124	Radio sonde	20,000	647,000	649,292	1,296,292
126	Salaries, equipment for workshops, motor cars, etc.	44,518	1,440,157	573,363	2,013,520
	Meteorological building			681,584	681,584
2	*Aviation*				
21	Training abroad	29,617 ×)	(grant 1957/60)		
212	Aviation course	22,113 ×)	(grant 1957/60)	2,848,504	2,848,504
	Training under AAA	135,440 ×)	(grant 1957/60)		
213	Aviation facilities	1,202,901 ×)	(grant 1957/60)		
22	Expansion of Ariana			2,000,000	2,000,000
	Transport of equipment	PKR. 605,507	2,741,376	1,213,721	3,955,097
	Installation of equipment			488,796	488,796
221	Training expenditure	2,876,923 ×)	(grant 1957/60)		
222	Purchase of aeroplane	1,705,339 ×)	(loan 1957/60)		
23	Qandahar International airport	3,664,839 ×)	(grant 1957/60)		
		1,800,000	(loan 1957/60)	15,5000,000	15,500,000
24	Other airports in the country	38,371 ×)	(grant 1957/60)		
	do			4,824,672	4,824,672
	Total		4,828,533	36,629,256	41,457,789

Rate of exchange: 1 Dollars = 32.35 Afghanis

X) These amounts refer to a three years period and are therefore not included in total.

Performance During the First six Months of the Fourth Year

1 *Meteorology*

11 Training

The training programs were continued on the same scale as during the previous year.

12 Meteorological establishments:

121 The air authority building was 30% completed.

122 Meteorological stations:

The equipment for the third class observation stations was received. The equipment for the meterological stations of Farah and Girishk was also received and these stations started operations. A station was inaugurated at Bagram and started its operations. The meterological stations in Jalalabad and the Qandahar International Airport were established.

123 Pilot balloons: A four months course on this subject was conducted. The observers who graduated were conducting a daily pilot balloon test to measure the speed and direction of high altitude winds. The climatologic department started its operations. It collected monthly reports from all the stations in Afghanistan and issued regular weather bulletins which were sent to all interested, Afghan and foreign agencies.

124 Radio sonde: A course on radio sonde was completed. The graduates started to carry out observations.

125 Workshops: A workshop was built in the metereological centre and started to operate.

2 *Aviation*

21 Training:

211 The Junior Aviation Training Course continued its courses for 125 students.

212 The Second Accelerated Aviation Course for 100 students was transferred to Qandahar and was incorporated in the 205 students course which was being conducted there. The course in Kabul has now been postponed.

213 The Operational Training Centre and the Air Traffic Section: The courses were continued for 43 students.

214 The Civil Aviation Technical Course: The 3 year course was continued. 187 students completed their training and soon will begin their duties in various branches of civil aviation.

215 Sending technical personnel abroad: Of the students who were sent abroad for higher technical training in various fields of civil aviation and meterology, ten returned to Afghanistan after completing their studies successfully. Five other students were sent abroad. Eight technical and administrative officials of the Afghan Air Authority were sent to the USA for higher studies.

22 Development of Ariana Airlines:

221 Training: Of the 14 students who were previously sent for advanced pilot training in the USA, 9 returned after completion of their studies. Of the 10 students who went for studies in engineering to the USA, 4 returned to Afghanistan after having completed their studies. 340 technical and administrative officials were being trained in Afghanistan in various fields.

222 Purchase of aircraft: Following a contract signed between the Ariana Airlines and the Pan American Airlines one DC - 6 aircraft was purchased. This aircraft was overhauled in the USA. It is now in operation.

23 Qandahar International Airport:

231 The Technical Structure: The following construction work were 100 % completed:

The construction and the asphalting of the runway and the taxiways parallel to the runway: three high speed turn offs, concerte flooring of the hangars, the offices and workshops, connected with the hangar, concrete paving of the apron in front of the hangar, installation of the lights on both sides of the runway and taxiways, the transformers building and installation of the transformer equipment, concrete paving of the apron, building of two aerials to the North and South of the runway, constructing and asphalting of the taxiways; digging of deep wells and the installation of a water system for the hangars, drainage for the hangar construction and asphalting of a six kilometer road, markings on the runway, taxiways and apron, waterpipes and extension of the electricity system and heating system for the hangar.

The transmitter and the NDB building with all necessary equipment were 90 % completed.

The foundations for the receiving radio towers of the airport, the temporary petrol tanks, the temporary traffic control tower and the temporary VHF system, were all 20 % completed. 70% of the construction work on the road between the airport and the VOR building was completed. 70% of the installation work for two generators was completed. 6,000 trees were planted on the airport ground.

232 Old Qandahar Airport: The following work was completed: Installation of a 150 feet tower for radio beacon, three towers each 60 feet high, installation of receiver and communication including all equipment and electric systems, installation of two generators with fuel tanks, establishment of a communication station and a traffic control station, construction of the terminal building, construction of an anenx to the nose hangar, contruction of a depot building, constraction of four garages in the annex to the restaurant, construction of the new restaurant building, costructruction of the office for the ICA engineer, construction of an oxygen building and two rooms

for electric genrators. The following contructions were accomplished: 90 % of the aviation school, 70 % of the first boarding house; 75 % of the aviation club at the old airport, 55% of the guards quarters, the fence around the airport, 8% of the nose hangar building for maintenance of the aircrafts, 85%of the water pipe lines to the tower, 95% of the traffic control tower, 90% of the two-family houses and 90% of the communication, establishment for training at the aviation course in Qandahar.

24 Other airports:

241 Kabul airport: The construction of a modernized terminal building, the traffic control tower, runway, taxiway and turn off was carried out by the Ministry of Public works. The construction of the customs building, the visa, health and bank buildings, the temporary air traffic control house with all radio communication establishments, the walls around the airport, temporary radio receiving and transmitting stations, electric generators were completed.

242 Herat Airport: The following were carried out: The construction work on the new terminal building with 40 rooms, the bath equipment and the electric system was completed. 80% of the room for electric generators, 85% of the temporary radio receiving and transmitting station, 100% of the installation of electric generators, the installation of the 60 feet high radio transmiting towers and one 150 feet transmitting tower with top loading and the aviation club in the city were completed.

243 Maimna Airport: Levelling of the runway, construction of the present terminal building with 10 rooms and the establishment of the receiving and transmitting station will be completed.

244 Mazar-i-Sharif airport : Two temporary buildings were completed. The temporary radio communication station was completed.

256 Jalalabad airport: The following work was carried out:

60% of the new terminal building, 30% of the fencing along the road and 95% of the installation of four radio communication towers 60 feet high and one tower 150 feet high. The toploading, the ground apron and the electric system were completed. Cadastral surveys, naming of localities and the building of a transmitter were carried out. The installation of the receiver and transmitter station was completed. The rooms used previously were repaired and painted.

Farah Station: 50% of the modernization of the building for the generator and 70% of the work on the four towers were completed. The installation of a temporary radio and the cadastral work for the permanent communication station were completed.

Expenditures During the First six Months of the Fourth Year

Code No.	Name of Project	Foreign Exchange	Equivalent in Afghanis	In Afghanis	Total in Afghanis
11	Training and meteorologic establishment	(Dollars)		5,037,663	5,037,663
121	Construction of the Afghan Air Authority Building			6,015,671	6,015,671
21	Aviation Training	160,539	5,193,404	5,487,518	10,680,922
215	Training Abroad	46,731	1,511,715	—	1,511,715
221 & 222	Training and purchase of airplane	3,393,725	109,787,003	322,395	110,109,398
231	Qandahar International Airport and Technical Construction	4,326,998	139,978,385	40,773,306	180,751,691
24	Other domestic airports	386,275	12,495,996	14,449,731	26,945,727
	Transport cost and installation of equipment	1,218,961	39,433,356	1,993,688	54,473,330
		PKR 2,365,507	13,046,286		
	Total	9,533,229	321,446,145	74,079,972	395,526,117
		PKR 2,365,507			

Objectives of the Fifth Year of the Plan

1 *Meteorology*

11 Training: 45 students of the 75 students in the third year of their course at the aviation school will graduate. 30 of them will join the observers course at the Operational Training Centre in Kabul. The other 15 will join the technical aviation course at the Operational Training Centre.

12 students will participate in the radio sonde course and they will complete their course during the Fifth Year.

According to an agreement with the College of Science of the Kabul University, 20 students will continue their studies of weather forecasting at the College.

Following an agreement between the Ministry of Education and Kabul University half of the students in the third class in mathematics and physics at the College of Science will be allotted to the meteorological department of the Afghan Air Authority, when they have completed their classes during the Fifth Year.

Five qualified weather observers will be sent abroad for advanced studies. Two high school graduates will be sent abroad to study climatology.

12 Meteorological establishments:

121 The main building of the Afghan Air Authority will be completed.

122 The weather observation stations in Faizabad, Pulikhumri, Jabel Seraj, Gardez, Panjab and Shiberghan will be completed.

Residence quarters for four families will be added to the station in Faizabad and residence quarters for three families each to all of the other stations.

2 *Aviation*

21 Training

211 The Aviation School: During the Fifth Year of the Plan 33 students in the first part of their preliminary aviation course will continue their studies. 47 students in the third year of the course will complete their courses and join the advanced training in the meteorologic section of the Operational Training Centre in Kabul.

212 The aviation course at the A.I.T. 30 students under training in the above course will complete their studies in radio maintenance. 20 new students will be enrolled.

213 The operational Training Centre in Kabul: 16 students will complete their radio maintenance course at the end of the fifth year, another 16 students will complete their electro- mechanic studies during the fifth year. 20 students will graduate from the A.I.T. and will complete a radio maintenance course during the fifth year. 30 students will be enrolled in the electro- mechanic course and 12 persons will be trained in fire- extinction.

214 The Qandahar Civil Aviation Course: 34 air traffic control students, 85 radio operators, 69 students in radio mainteance, 34 electro- mechanics, 20 students in fire extinction and 20 students in electronics will continue their courses. 30 of the air traffic control students, 50 of the radio operators, 25 of the radio maintenance students and 25 of the electro-mechanic students will complete their courses and take up practical work in their repective fields.

215 9 technical and administrative officers will go abroad under ICA scholarships for aviation studies. 5 other officers will go abroad at the expense of the Afghan Air Authority to study various fields of civil aviation.

22 Development of Ariana Airlines

221 Training: Three pilots under training in the USA will return during the Fifth Year. Twelve persons who have been under preliminary training in Afghanistan will go to the USA for further pilot training. Five mechanics who have been under training in the USA will return to Afghanistan. Five station managers and two accountants will be sent to the USA for further studies. The members of the staff of Ariana, already under training in various fields will continue their courses during the Fifth Year and another 200 members of the staff will start training courses during this year.

222 Purchase of aircraft: Under the conditions stipulated in the development loan agreement Ariana will purchase one other DC - 6 aircraft to be used in the international flights. If the conditions of the local airports can be improved in time and if the necessary loans can be obtained Convair - 440 airplanes will be purchased for domestic flights.

23 Qandahar International Airport: The following constructions will be completed:

Fifty percent of the modern international terminal building with all equipment, 50% of the installation of the radio communication transmitters, 50% of the communication building including all equipment; 50% of the wire extension building with equipment; 50% of a modern hotel with all modern equipment and a four beds hospital, 50% of 10 houses with four bed rooms each, 50% of a store building for technical equipment and an annex to the hangar. 80% of four apartment houses for 16 families in all; 30% of the inatallation of fuel tanks with acapacity of 500,000 US gallons, 30% of the hydrant petrol filling system which can distribute four different kinds of aviation fuels (the system will be connected by laying pipelines to the tank) 30% of the installation of a 400 lines telephone

exchange system to connect the airport with the city, 20% of the installation of a water supply tank with a capacity of 50,000 gallons, 30% of the installation of an electric generator with a capacity of 750 KW including a distribution system for the entire airport and houses, 30% of the establishment of an electric switchboard for the airport and the houses, 50% of the remaining work of the construction and asphalting of a road 5.4 km between the houses and the airport, 50% of the drainage work in the airport the purchase of a complete fire brigade equipment including five trucks, a water truck, spare equipment and fire brigade suits; 30% of the communication and traffic control system.

24 Other airports:

241 Kabul Airport: The construction including runway, turnoffs, apron, fuel distribution system, a terminal building with an air traffic control tower and electric water distribution system is being carried out by the Ministry of Public Works.

The construction of the N.D.B. station building with all communication stations, four 60 feet radio towers and one 150 feet radio tower, will be completed by the Afghan Air Authority.

Two fire extinction trucks with equipment and suits for the fire brigade will be provided.

242 Herat airport:

The following work will be carried out during the fifth year:

A runway 2,500 meter long and 45 meter wide will be constructed and asphalted.

A taxiway, 32 meter wide, from the centre of the runway to the apron in front of the terminal, will be constructed and asphalted.

The apron 113 meter by 230 meter, will be constructed and asphalted.

The terminal building with all modern plumbing and electric system will be completed.

The air traffic control tower with complete modern communication equipment will be constructed.

50% of the fuel tank with a capacity of 21,000 gallons and distribuion system for one kind of fuel will be installed.

The radio communication station will be established and put in operation.

Digging a deep well and construction of the water distribution system will be completed.

50% of the installation of lights on both sides of the runway will be completed.

Fire extinction equipment, including one fire truck will be provided.

243 Mazar-i-Sharif Airport: The new terminal building with plumbing and electric installations will be completed.

The radio communication building will be completed.

70% of the N.D.B. building with all communication equipment and the construction of three 60 feet radio towers and one 150 feet tower will be carried out.

Fire extinction equipment will be provided.

244 Qunduz Airport: The new building with plumbing and electric installation will be completed.

50% of the construction and asphalting of the runway 200 meter long and 45 meter wide will be carried out.

50% of the construction and asphalting of the taxiway 32 meter wide, will be carried out.

50% of the apron, 100 meter by 100 meter, will be constructed and asphalted.

50% of the installation of a fuel tank for one kind of fuel with capacity of 21,000 gallons including distribution system will be carried out.

A deep well and a water tank with a capacity of 5,000 gallons, including distribution system will be constructed

The construction of the NDB including communication installation will be completed .

Fire brigade equipment will be provided.

the fencing of the airport and the communication building will be completed.

The radio communication stations will be completed.

245 Jalalabad Airport: The terminal building including plumbing and electric installations will be completed .

The air traffic control tower on the terminal building will be completed and equipped with communication installtion.

The construction of the NDB building with equipment will be completed.

Fire brigade equipment will be provided including one truck.

The fencing of the airport and the communication building will be carried out.

The radio communication station will be completed.

25 Communication between the airlines: Plans for 10 communication station & betwe n the different points of the air routes in Afghanistan will be provided.

251 The Jebel - Seraj communication station: The construction of the station with all communication equipment and four sixty feet communication towers will be completed.

252 The Farah communication station: The station with all communication equipment and towers will be completed.

253 Ghazni Communication station: The new building of the station with all communication equipment and communication tower will be completed.

MINISTRY OF PUBLIC WORKS

Highlights of Progress

Irrigation

The completion of the Jalalabad Canal will bring approximately 30,000 hectres (150,000 jiribs) of land under cultivation. Because of the climatic conditions and the high soil fertilty in the area concerned three crops may be expected per year. When the soil is irrigated 11,000 kilowatts of power will be generated from the power plant to be constructed under the scheme.

The survey of the project was completed and the actual construction will be started in the near future.

A survey of the Amu river is being carried out.

Roads

Almost 500 k.m. of the 650 k.m. road from Torkham on the Afghan border via Kabul to Qizil Qala in the North were completed as a 10 m. wide motor road. Asphalting of the road was commenced and the first layer of asphalt was laid on approximately 150 k.m. The road will go through the Salang Pass between Charikar and Doshi via a tunnel which will shorten the distance to the U,S.S.R border by 200 k.m. 1,100 metres of the tunnel will be dug during the last year of the Plan.

The Mazar-i-Sharif Clift road of 96 k.m. was half way completed as a 10 m. wide motor road.

Airports

The construction of the two important airports, Kabul and Bagram was undertaken by the Ministry. The Bagram airport is almost completed and Kabul airport 25% completed.

Performance During the Third Year of the Plan

Irrigation

11 Jalalabad Canal : The construction survey of the canal was completed. The Ministry was afterwards engaged in negotiating the construction contract with Techno-Export of the USSR.

12 The Amu River: The survey of Amu River was continued.

2 Roads

21 The Kabul-Charikar road (65 km): The first layer of asphalt was 80% completed.

22 The Charikar-Matak road (11 km): 30% of the work was completed.

23-24The Doshi-Qizil Qala road (219 km): The construction of work on this road was 82% completed.

25 The Kabul-Torkham road (232 km) : 80 % construction of the road was completed. 80% of the first layer of asphalt between Torkham and Jalalabad was laid.

26 The Mazar-i-Sharif - Clift road (96 km): The road was levelled and 30% of the construction work was completed.

29 The Salang road: The work was carried out as follows:

lst part: Doshi-Doshkh; The work was 40% completed.

2nd part: Jabel-Seraj-Awlang; 15% of the work was completed.

3 Airports

31 Bagram airport: The airport was 75% completed.

32 Kabul airport: The construction survey was completed and the preliminary construction work started.

4 The Qizil Qala Port: This project is divided into three parts. The first part was almost completed.

Note: This is the latest report of the Ministry and this supersedes any earlier report.

Expenditures During the First Three Years of the Plan

Code No:	Name of Project	in Foreign exchange (Dollars)	Equivalent in Afghanis	in Afghanis	Total in Afghanis
11	Jalalabad Canal	733,827	23,739,303	3,858,628	27,597,931
12	The Amu River Survey	—	—	537,635	537,635
21 & 22	The Kabul-Jabel-Seraj Road	350,137.38	11,326,931	43,506,781	54,833,712
23	The Doshi-Qizil Qala Road	1,022,111.65	33,065,290	117,008,665	15,073,955
25	The Kabul-Torkham Road	1,016,062.07	32,869,605	194,625,403	227,495,008
26	The Clift-Mazar-i-Sharif Road	160,732.05	5,199,680	15,973,428	21,173,108
29	The Salang Road: Doshi-Doshkh	4,998,034.00	161,696,399	43,700,000	205,396,399
	Jabel-Saraj-Awlang	4,528,034.00	146,481,899	27,348,316	173,830,215
31	Bagram Airport	6,141,203.00	198,667,917	129,250,843	327,918,760
32	Kabul Airport	4,994,595.00	161,575,148	3,000,000	164,575,148
4	Port of Qizil Qala (1)	1,242,000.00	40,178,700	10,580,018	50,758,718
	Total	25,186,736.15	814,800,872	589,389,717	1,404,190,589

This is the latest report of the Ministry and supersedes any earlier report.

Rate of exchange 1 Dollars.= 32.35 Afghanis.

Performance During the First Six Months of the Fourth Year of the Plan

1 *Irrigation*

11 Jalalabad Canal: The construction survey was completed during the third year but the construction was not yet started.

12 The Amu River Survey: The survey was being continued.

2 *Roads*

21 The Kabul-Jabel-Seraj road (71 km): 72% of the construction work was completed. 95% of the first layer of asphalt from Kabul to Charikar was completed.

23-24 The Doshi-Qizil Qala Road (219 km): 86% of the construction work was completed.

25 The Kabul Torkham road (232 km): 82% of the construction work was completed. 90% of the first layer of asphalt between Torkham and Jalalabad was laid.

26 The Mazar-i-Sharif Clift road (96 km): 33% of the construction was completed.

29 The Salang Road: The work was carried out as follows:

lst part: Doshi-Doshakh: The work was 57% completed.

2nd part: Jabel-Seraj-Awlang: The work was 30% completed.

3rd part: Awlang-Doshakh: 30% of the work was completed.

3 *Airports*

31 Bagram airport: The airport was 80% completed.

32 Kabul airport: The airport was 25% completed.

4 The Qizil Qala Port: The first part of the project was 90% completed.

Expenditures During the First Six Months of the Fourth Year

Code No.	Name of Project	in Foreign exchange (Dollars)	Equivalen in Afghanis	in Afghanis	Total in Afghanis
11	Jalalabad Canal	733,827	23,739,303	3,254,081	26.993,384
12	The Amu River Survey	—	—	1,660,000	1,660,000
21	The Kabul-Jabel-Saraj Road	30,943	1,001,006	3,727,935	4,728,941
22 & 24	The Doshi-Qizil Qala Road	325,765	10,538,497	47,148,894	57,687,391
25	The Kabul-Torkham Road	217,172	7,025,514	22,500,587	29,526,101
26	The Mazar-i-Sharif Clift Road	160,733	5,199,712	500,000	5,699,712
27	The Salang Road: Doshi-Doshakh	4,997,000	161,652,950	43,700,000	205,352,950
	Jabel-Saraj-Awlang	4,540,000	146,869,000	27,348,316	174,217,316
	Awlang-Doshakh	—	—	9,450,000	9,450,000
31	Bagram Airport]	—	—	24,249,157	24,249,157
32	Kabul Ai port]	22,519,595 ×)	—	27,820,000	27,820,000
4	The Qizil Qala Port	48,000	1,552,800	2,950,000	4,502,800
	Total	11,053,440	357,578,782	214,308,970	571,887,752

×) The Figure Indicates Foreign Expenditure for both Bagram and Kabul Airports for the period of Three and half Years.

Rate of exchange 1 Dollar. = 32.35 Afs.

Objectives for the Fifth Year of the plan

1 *Irrigation*

11 Jalalabad Canal: The construction work will be started.

12 The Amu River Survey: The survey of the river and the dam survey will be continued.

121 The Sardeh Dam: The construction work will be started if possible.

2 *Roads*

21 The Kabul-Jabel Seraj Road (71 km) The asphalting of the road from Charikar towards Jabel-Seraj will be continued. The remaining work of the construction of two metal bridges (52 meters) will be completed.

23-24The Doshi-Qizil Qala Road: The construction work will be continued and the first layer of asphalt from Doshi to Qizil Qala will be completed.

25 The Kabul-Torkham road: The remaining construction work will be started. The second layer of asphalt will be laid in a length of 152 km.

26 The Clift-Balkh road: The construction and gravelling of the road will be continued.

27 The Kabul-Qandahar road: The survey of the road will be completed and the construction work will be started if possible.

28 The Kushki-Kandakar Road: The construction work will be started.

29 The Salang road (lst part) Doshi-Doshakh: 12 km. of the road will be levelled; 42 km will be asphalted.

2nd part: Jabel-Seraj-Awland: 42 km of road will be levelled and 31 km will be asphalted.

3rd part: The sections from Doshakh to the northern end of the tunnel and from Awlang to the southern end of the tunnel (25.5 km) will be levelled.

4th part: The tunnel: 1,100 meter of digging work will be carried out.

3 *Airports*

31 Bagram airport: The remaining part of the work will be completed.

32 Kabul airport: The work will be continued.

5 *Bridges*

The construction work on the Kama, Behsud and Asmar bridges will be started.

4 *Ports*

The construction of the first part of the port in Qizil-Qala will be completed and construction of the second will be started.

MINISTRY OF MINES AND INDUSTRIES INDUSTRIAL DEPARTMENT

Highlights oj Progress

Electric Power

The construction of power generating plants for industrial and domestic consumption was carried out on a high priority basis since power supply is a prerequisite for industrial development. This construction programme made great strides during the Five Year Plan period and the following power plants came into operation:

	Name of Plant	Installed capacity
1	The Sarobi Hydro-Electric Power Plant	22,000KW.
2	The Maimana Diesel " " "	256 "
3	The Girishk Hydro] " " "	2,400 "
4	The Andkhoy Diesel " " "	125 "
5	The Farah Diesel " " "	100 "
6	The Khanabad Hydro " " "	1,400 "
7	The Kabul Diesel " " "	1,000 "
8	The Qandahar Diesel " " "	1,000 "
9	The Mazar-i-Sharif Diesel " "	320 "
	Total:	28,601 "

The production capacity which was approximately 18,500 KW. before the plan, thus rose to approximately 47,000 KW. at the middle of the fourth year of the Plan. The largest power project planned is the Naghlu Hydro Electric Power Plant with an installee capacity of 60,000 KW. A detailed survey of the project has already been carried out and a project agreement signed between the Royal Government and the Techno Export of U.S.S.R. The construction of the Pul-i-Khumri Hydro-Electric Power Plant with an installed capacity of 9,000 KW was 4 % completed and it is expected that the plant will be in operation before the end of the Plan. These two projects together with the Arghandab Hydro-Electric Power Plant of 6,500 KW. which is not yet started, will increase the installed capacity for supply of Electric Power from 47,000 KW to 140,000 KW.

Textiles

The Gulbahar Textile Factory was completed. It is a modern factory with 47,000 spindles and 1,380 automatic looms and at its full capacity it will produce 35 million meters of cloth per year including 16 million meters of coloured. The Pul-i-Khumri Textile Factory with a capacity of 25 million meters of cloth per year was also completed. The Omayyed Rayon Factory started production with a capacity of 650,000 meters per year. The modernization of the Qandahar Wool Factory was completed and the capacity has been raised to 270,000 meters per year, on the basis of running for 8 hours a day.

Cement

The Jabel Seraj Cement Factory with a capacity of 100 tons per day went into production during the first year of the plan. The Pul-i-Khumri Cement Factory which will ultimately have a capacity of 400 tons per day was almost 25% completed and is expected to go in operation before the end of the Plan. Only half of the maximum capacity of the plant will be put into operation before the end of the plan. When these two factories are in full operation they will produce approximately 150,000 tons of cement per year or five times as much as the present consumption of cement.

Fruit Processing

The Qandehar Fruit Processing Factory was 55% completed. This factory will be the first of its kind in Afghanistan when completed. It will process 15,000 tons of fresh fruit per year into juices, canned fruit, jams and packed fruit. The Factory will serve to establish better market conditions for the numerous fruit growers in the Qandehar area and help to earn foreign exchange by introducing Afghan fruit products to the world market.

Other Factories

The Qunduz Porcelain Factory, the Shaker Porcelain Factory and Ceramics Factory and the Qunduz Soap Factory have started operations. The Qunduz oil press and margarine factory with a consumption of 100 tons of oil seeds per day and a production of 16 tons oil per day was completed. The Mazar-i-Sharif oil press was completed. These two factories will serve to improve the marketing possibilities for the oilseed growers in the northern provinces.

The automobile repair workshop in Jangalak was completed and together with the Zendabanan workshop, to be completed during the fifth year of the plan, will provide the urgently needed repair facilities for the increasing number of motor vehicles. A third workshop in Qandahar is under construction.

Performance During the Third Year of the Plan

1 *Electric Power Plants*

13 The Khanabad Hydro - Electric Power Plant: The Plant will be built with a capacity of 1,400 KW

1. The canal was 90% completed.
2. The workshop building was completed.
3. The turbine pipes were 90% completed.
4. Poles for the main lines Khanabad-Qunduz were erected.
5. The preliminary installaion of two turbines was commenced.
6. The buildings for the power plant were 80% completed.

14 The Pul-i-Khumri Hydro-Electric Power Plant, capacity: 900 KW. 50% of the auxiliary constructions, such as black-smith's shops, workshops, carpentry, guards' room were completed. 3,000 cubic meters of earth were levelled. 50% of the work on installation of machinery was completed.

15 The Naghlu Hydro-Electric Power Plant: It was decided to increase the capacity of the plant from 40,000 KW to 60,000 KW. All preliminary investigations were completed and estimates of cost in Afghanis and foreign exchange were prepared.

16 The Arghandab Hydro-Electric Power Plant: Capacity: 6,500 KW. The execution of the project was transferred to the Helmand Valley Authority.

17 The Chashma-i-Shafa Hydro-Electric Power Plant: The Projct was postponed

18 The Laghman Hydro-Electric Power Plant:The project was postponed.

19 The Farah Diesel Electric Power Plant: Capacity 120 KW. The plant was completed. A part of the equipment fo: the city network arrived.

101 Qandahar Diesel Electric Power Plant: Capacity 1,000 KW. The project was completed and the plant brought into operation. It provides power both for city and domestic lighting and for industry.

2 *Textiles*

21 The Gulbahar Textile Factory: The following work was carried out:

A. The Weaving Section: The building was comleted. All machinery was installed except for machines damaged during transport.

B. The Spinning Section: The building was completed, all machinery was installed except for machines damaged during transport.

C. The Reclamation Section:The building was completed; 90% of the machinery was installed.

D. Dyeing Section: The building was completed except for setting of tiles and asphalting of the ground.

E. The canalisation was completed.

F. Depots, workshops etc. were completed.

23 The Laghman Textile Factory: The project was postponed.

24 Baghlan Jute Factory: Cultivation of jute in the Baghlan and Qunduz areas proved to be satisfactory and the result of a survey made there indicated that a jute mill might be operated economically. The planning of a jute mill will be coordinated with the planning of the Qandahar Industrial Park Project.

25. The Omayyed Rayon Factory was inaugurated and production started.

26. The Qandahar Wool Factory: The Polish experts completed their preliminary works and prepared their reports on necessary steps to be taken for the improvement of the mill. Spare parts for repairing the old machinery and new machinery arrived. The installation of the machinery was commenced.

27. Th: Kabul Wool Factory: The Polish experts submmited their inestigation of the possibilities for coordinating this factory with the Qandahar factory. The report is under consideration in the Ministry.

3 *Cement:*

32. The Pul-i-Khumri Cement Factocy: Contracts were signed for procurement of machinery and its installation and construction of the buildings. Three percent of the buildings were completed. Factory is designed for production of 400 tons a day.

4 *Workshops:*

41. The Jangalak workshop: The buildings for the automobile repair section, the blacksmith section and the machine workshop were completed. The installation of machines and electricity was also completed for these sections The foundry building was completed and a part of the equipment was installed. The training centre was completed and both practical and theoretical training was commenced with foreign and Afghan instructers.

42 The Herat Workshop: The Project was postponed.

43 The Pul-i- Khumri Workshops: The project was postponed

44 The Zendabanan Workshop: The contruction work is all completed but procurement and installation of the machinery has been delayed.

45 The Qandahar Workshop: The construction work was continued according to plan.

5 *Other Industries:*

51 The Qunduz Porcelain Factory was inaugrated and production started. The factory will be able to produce 500 pieces per day.

52 The Shaker Ceramics and Porcelain Factory: The factory was completed and brought into operation. The factory has a maximum capacity of 5,00 pieces per day.

53 The Qunduz Oil Press and Margarine Factory: The buildings were completed and 75 % of the machinery was installed.

54 The Qunduz Soap Factory, was completed and production started.

55 The Qandahar Fruit processing Factory: The construction of the building was continued according to the plan. A part of the machinery arrived at Qandahar.

56 The Mazar-i-Sharif Oil Press: A contract was signed with the Techno-Export for purchasing of machinery for the factory, the construction work on the building was started with the assitance of Czechoslovakian experts.

59 The General Laboratory: The Project was postponed.

501 The Chemical Fertiliser Factory: The Project was postponed.

551 The Qandahar Industrial Park: A final report on the project was received from ICA and is now under consideration in the Ministry.

Actual Expenditures During the Third Year

Code No.	Name of Project.	in Foreign exchange	Equivalent in Afghanis	in Afghanis	Toal in Afghanis
1	***Electric Power Stations***	(Dollars)			
13	Qandahar	53,000	1,714,550	12,900,000	14,614,550
14	Pul-i-Khumri	1,473,000	47,651,550	15,401,765	63,053,315
19	Farah	5,689	184,039	—	184,039
2	***Textiles***				
22	Gulbahar Textile Factory	1,191,977	38,560,456	30,000,000	68,560,456
25	Omayyed Rayon factory	10,006	323,694	—	323,694
26	Qandahar Wool Factory	2,493	80,648	—	80,648
3	***Cement***				
32	Pul-i-Khumri Cement Factory	£ 101,890	9,229,196	2,607,000	11,836,196
4	***Workshops***				
41	Jangalak workshop	1,181,125	38,209,394	17,000,000	55,209,394
44	Zandabanan workshop	—	—	3,000,000	3,000,000
45	Qandahar workshop	—	—	1,000,000	1,000,000
5	***Other Industries***				
52	Shaker Ceramics	27,422	887,102	—	887,102
53	Qunduz Oil and Margarine Factory	156,199	5,053,038	4,133,000	9,186,038
54	Qunduz Soap Factory	28,000	905,800	6,000,800	6,906,600
55	Qandahar Fruit Preserving Factory	—	—	5,000,000	5,000,000
56	Mazar-i-Sharif Oil Press	146,000	4,723,100	—	4,723,100
561	Survey of the Qandahar Industrial Park.	95,000	3,073,250	—	3,073,250
	Total.	4,369,911 £ 101,890	150,595,827	97,042,565	247,638,382

Rate of exchange 1 Dollar = 32.35 Afghanis.

" " " £ = 90.58 Afghanis.

Performance During the First Six Months of the Fourth Year

1 *Power Plants*

13 The Kanabad Hydro Electric Power Plant: (Capacity 1,400 KW) The project was started in 1960. The Plant was completed.

14 The Pul-i-Khumri Hydro - Electric Power Plant: Capacity, 9,000 KW. The Project was started on Ist Hamal 1338 (24 March 1959) and it has been completed.

15 The Naghlu Hydro Electric Power Plant: Capacity, 6,000 KW. The Project agreement was signed by the Royal Afghan Government and the Techno - Export of the U.S.S.R. The Naglu Construction Department was established.

16 The Arghandab Hydro - Electric Power Plant: Capacity, 6,500 KW. The responsibilty for the execution of the project was transferred from the Helmand Valley Authority to the Ministry of Mines and Industries. The Ministry in cooperation with the ICA made prepartions for establishing a training course for the Afghan personnel in the fields of electricity. A new project agreement was executed.

19 The Farah diesel electric Power Plant with a capacity of 125 KW was completed and operations started.

2 *Textiles*

22 The Gulbahar Textile Factory: The project was started in 1953 and was completed in the first quarter of 4th year of the Plan. With its 45,000 spindles and 1,380 automatic looms it will be able to produce 35 million meters of cloth annually when full capacity is reached.

24 The Baghlan Jute Factory: The project is now planned as a part of the Qandahar Industrial Park and will be renamed and executed when the Qandahar Industrial Park takes shape.

26 The Qandahar Wool Factory: The project of modernising the old Qandahar Wool Mill was started in 1959 and was completed during the first quarter of the fourth year. The factory was brought in operation. Its capacity is 270,000 meters per year for each daily shift worked.

27 The Kabul Wool Factory: The initial part of the project which concerns the modernization of the old factory, has been considered by the Government. The advice of the Polish experts who had worked in Qandahar management of the Qandahar Wool Factory has been sought in this regard.

3 *Cement*

32 The Pul-i-Khumri Cement Factory: Capacity 400 tons a day. The project was started on the 30th of June 1959 and is expected to be completed during the first half of 1962. 22. 7% of the work was completed by the end of the first six months of the fourth year.

4 *Workshops*

41 The Jangalak Workshop: The project was started in December 1958 and was completed during the first quarter of 4th year. The workshop will undertake complete service and repair of all kinds of automobiles and also building of trucks. The workshop is equipped with machinery for producing most of the spare parts.

44 The Zendabanan Workshop: The project was commenced in 1956 and was 64% completed at the end of the first six months of the fourth year.

45 Qandahar Workshop: The workshop was 60% completed.

5 *Other Industries*

53 The Qunduz Oil Press and Margarine Factory: The factory was 90% completed.

Expenditures During the First Six Months of the Fourth Year.

Code No.	Name of Project.	In Foreign exchange.	Equivalent in Afghanis	In Afghanis.	Total in Afghanis.
13	Khanabad Hydro - Electric Power Plant	dollars 42,000	1,358,700	250,000	1,608,700
14	Pul-i-Khumri Hydro-Electric Power Plant	U.S.S.R. Credit		3,934,676	3,934,676
22	Gulbahar Textile Factory	415,586	13,444,207	9,000,000	22,444,207
26	Qandahar Wool Factory				
32	Pul-i-Khumri Cement Factory	C.S.R. Credit		6,192,576	6,192,576
41	Jangalak Workshop	183,782	5,945,347	3,000,000	8,945,347
44	Zendabanan Workshop	78,659	2,544,618	1,150,000	3,694,618 (×)
45	Qandahar Workshop			2,930,883	2,930,883
53	Qunduz Oil Press and Margarine Factory	17,000	5,549,950	150,000	699,950
55	Qandahar Fruit Processing Factory	(××) 59,065	1,910,752	2,500,000	4,410,752
101	Farah Electric Power Plant				
56	Mazar-i-Sharif Oil Factory	1,902	61,529	1,900,000	1,961,529
	Total	797,994	25,815,103	31,008,135	56,823,238

(×) This figure represents the entire amount spent on the Qandahar workshop from the beginning of the project on 22-8-37 till the end of the first six months of the fourth year.

(××) This figure represents only the first quarter of the fourth year.

Objectives for the Fifth Year of the Plan

1 *Electric Power Plants*

14 The Pul-i-Khumri Hydro - Electric Power Plant will be completed.

15 The Naghlu Hydro - Electric - Power Plant will be 27% completed.

16 The Arghandab Hydro - Electric Power Plant: The construction work and the installation of machinery will be 30% completed.

2 *Textiles*

26 Qandahar Wool Factory, the Kabul Wool Factory: The coordination of two factories will be carried through.

3 *Cement*

32 The Pul-i-Khumri Cement Factory: The factory will be completed during the fifth year.

4 *Automobile Workshops*

44 The Zendabanan Workshop will be completed.

45 The Qandahar Workshops will be completed.

5 *Other Industries*

55 The Qandahar Fruit Preserving Factory: 90% of the construction work and the installation of equipment will be completed.

561 The Mazar-i-Sharif, Oil Mill will be completed.

MINISTRY OF MINES AND INDUSTRIES
MINING DEPARTMENT

Highlights of Progress

The Transport Department

A transport department was established during the second year of the Plan. One hundred and four trucks carry coal and other minerals from the mines and also other goods on request from other Ministries. A workshop was built to undertake service and repair of the trucks and also building of the bodies and reinforcement of springs.

Surveys

Hydrologic and hydrometric: A number of surveys and drillings have been carried out in order to improve the water supply to various cities in the country. A general study of underground water potentials has been carried out and plans have been prepared for a systematic underground water survey of the country. Heavy drilling equipment and auxiliary equipment has been procured for the purpose. A survey of water flow in the rivers has been started in Kabul Province and its surroundings. The survey will be eventually extended to include the whole country.

Geological: The geological department has completed surveys of most parts of the country. The geological mapping of the country is being undertaken and a number of detailed surveys have been started. The existence of adioactive materials was observed in the areas of Panjsher, Sorkhaparsa and Shindande. Systematic surveys for radioactive materials are being carried out.

A laboratory for micropaleantology, a chemical laboratory and a photographic atelier have been established.

Aerial: The Techno-Export of the USSR and the Fairchild Company of the USA completed their aerial photography of the country. The aerial photographs are being submitted to the Department where they are being systematically arranged. Topographial mapping of the country based on the photographs and naming of the geographical features are in progress.

Petroleum: The Techno-Export of the USSR is undertaking petroleum research in the northern part of the country. General geological surveys were carried out in an area of 7,000 sq.kilometers and detailed surveys such as magnetic air mapping in an area of 43,000 sq.km. Seismetic surveys and drilling have been undertaken. Search for petroleum in the southern part of the country is going on simultaneously.

A large amount of drilling epuipment has been procured.

Mining: Geological and cartographic surveys of the Karkar and Ishpusta mines have been undertaken in order to determine the resources of the mines. New equipment including rails and electric generators was installed in the mines and the production is expected to be increased. A systematic survey for Lapis Lazuli has been undertaken and a new mine started production during the third year. A survey of iron deposits has been completed. More intensive studies will follow to determine the possibilites for establishing an iron smelting plant . Studies for more systematic exploitation of gold in river sands were commenced.

Legislation: Laws have been passed to regulate the rights and duties of companies for searching and exploiting oil and mineral resources. It is hoped that these laws will encourage local and foreign investors to enter into the extremely important field of thorough and uptodate exploitation of Afghanistan's deposits of oils and minerals.

Performance During the Third Year of the Plan

Administrative Field

12 The Transport Department: The Transport Department is established as a government enterprise undertaking the transport of coal and other minerals from the mines and also the carriage goods for other government agencies and enterprises on request. It operates 104 trucks and has transported more than 50,000 tons of goods during the year.

121 The workshop was completed with equipment to undertake all kinds of automobile service and repair and started to operate. More than 1,000 repair jobs were carried out. The activities of the workshop resulted in an increase in the revenue of the Department of 12,139,000 Afghanies. Additional new machinery will be installed.

Survey

21 Hydrology and hydrometry: A group of three Ger-

man experts arrived under the German Technical Assistance Programme. They commenced their work of undertaking the measurements of the water flow of the rivers in the Kabul area. Hydrometric equipment was installed on concrete foundations in the rivers for measuring the waterflow. Monthly data will be supplied. The same hydrometric work will be started later in other rivers. Wiring in the hydrometry and hodrology workshop at Darulaman was completed. The workshop was equipped for making and repairing the instruments. The heavy drilling equipment provided through the Geaman Technical Assistance Programme arrived and was put in use, together with drilling equipment given by other friendly nations during the 1958 International Exhibition in Kabul. The construction of a store room for this equipment was started. The drilling of a deep well on the site of the Qandahar Fruit Processing Factory and a deep well in the Teachers Training School in Kabul was almost completed. Filters and plastic equipment for wells were ordered from Germany.

Geology.: A group of six experts provided under the German Technical Assistance Programme arrived in the beginning of the year and commenced their work. Equipment for the experts was supplied by the German Technical Assistance Mission. A study for the geological mapping of Afghanistan was undertaken. The work was started from Herat in the East towards Kabul, and from Herat to Obe and along the Harirud Valley from where it was continued to Panjab, and onwards via Sorkhparsa and Maidan to Kabul. The study was accomplished on a scale 1:4 miles. The geological maps will be completed in the near future.

The Ministry of Mines and Industries provided the experts with mobile laboratory equipment including vehicles. The areas of work were defined and Afghan officials were appointed to assist the foreign experts. Apart from the cartographic activities the experts were also engaged in other technical work such as the preparation of reports and plans for land reconnaissance. The experts gave useful advice to the Ministry of Public Works in relation to the Project on the new city of Charikar.

The plumbing for the micropaleontologic laboratory and the photography atelier was completed. The work on the Chemistry Laboratory were continued. The systematic studies of Karkar and Pul - i - Khumri was completed. The stratography study of the area south east of the road between Ghazni and Qandahar was completed.

The aerial photography for petroleum research was completed. Geological photography was carried out according to the programmes.

23 Mineralogy. The surveys for radioactive materials in the areas of Panjsher and Sorkhparsa and along the road between Kabul and Herat were undertaken. The occurrence of radioactive materials in Panjsher, Sorkhparsa and Shindand was proved. These surveys will be continued in the rest of the country.

Study of river sands: Two French experts undertook the study of river sands in Jekdalek and Ghorband.

The Jogdalak area was surveyed for rubies and the occurrence of rubies was proved through washing the sands. As a consequence a larger group of experts was sent to the area.

The Logar area was surveyed systematically for platinum. More intensive research will be carried out next year.

The Ghorband area: The washing of the river sands of this area is considered to be very important as there are high possiblities of finding minerals. Sifting of river sands was undertaken this year for the purpose of selecting the most promising areas for intensive surveys to be carried out next year.

232 Radioactive materials: As a result of surveys undertaken during the first two years of the Plan and of proposals submitted by the French Atomic Commisson the Ministry found it advisable to search for radioactive material in various parts of the country. A group was sent to search for radioactive matrial in the areas between Kabul and Qandahar, in the northern part of the Herat and Qandahar, and in the Hazarjat, Mazar-i-Sharif, Badakshan and Nangarhar crovinces. The survey showed that the most promising areas were Badakshan and Nangarhar. The experts are now engaged in writing their report. If as a result of this report it is considered worth- while to undertake the extraction of radioactive material, a separate agreement will be signed with the French Atomic Energy Commission The Ministry has been engaged in search for radioactive material for the last 2 years and proved the occurrence of radioactive radiation in Badahshan, Bamian and Bulula. Uranium of a richness of 40 to 44% was found in keran and Manjan.

24 Topography: The naming of the geographical features in the aerial pictures of the Hindukush was started by experts from Techno - Export of the USSR and Afghan topographers and was 80% completed. The line control and the aerial photography south of the Hindukush carried out by the Fairchild Company of the USA was 55% completed. This work should be completed at the end of the first two months of the fourth year of the plan .

25 Aerial cartography: Work was carried out by the constracting companies as under:

a) The Fairchild Company :
Levelling on 1,274 miles. Photogrphy on the grade and line S.H.O.R.A.N (Short Range Aerial Navigation) on 1,698 miles (41,128 sq. miles).

b) Techno-Export:

1) Traverse polygranometry north of the Hindukush.

2) Survey of 16 astronomical points.

3) Naming of all geographical feaures in the area. The northern and southern halves of the aerial photography project were connected vertically at Bulula, Shindand and Adraskan and both vertically and horizontally at the points 7 and 12 S.H.O.R.A.N.

c) Materials received:

1 From Fairchild: 86 preliminary copies for mosaic maps of the southern part of the country with mosaics of the seven important cities of the south in the scales of 1:500 and 1:2500.

2 From Techno-Export: 11,166 aerial pictures and 216 guides to these pictures with 93 pieces of negatives of these pictures in the scale of 1:50,000.

3 A list of corrected geographical names was given to Techno - Export for completing the maps. Arrangements were made for naming the geographical features in the rest of the country.

3 *Training*

The following were sent abroad for training :

1 Person to the USA to study hydrological engineering.

1 Person to W. Germany to study dyeing and printing on textiles.

1 Person to Japan to study ceramics for 6 months,

1 Person to Western Germany to study petroleum engineering for 2 years .

3 Persons to Beirut and the USA to study petroleum engineering for 4 years.

4 *Petroleum*

According to the terms of the contract with Techno - Export of the USSR the following work was carried out:

1) A general geological study on an area of 7,000 sq.km. was completed. The mapping of this area was 70% completed. The geological studies in the Angot mountain and in the Yatimtaq formation. Khwaja, Gogerdak and Shiberghan on an area of 200 sq. km. were completed.

2) The aerial magnetic mapping on an area of 43,000 sq.km. was completed.

3) The geodetic photography of deserts was completed,

4) The seismic work was completed the scheduled lines in two areas one of 105,000, and 200 sq. km.

5) Deep drilling at Sar-i-Pul at the new formation was undertaken as follows :

a) About 1,200 tons of deep drilling equipment was transported from Clift to Koh-i-Angot and Sare-i-Pul and the major part of this equipment was installed, and ready for drilling operations.

b) Drilling was done to a depth of 1,473 meters at the Koh-i-Angot formation. Intensive studies of the well of Koh-i-Angot and the determination of the various layers of the well were completed.

c) The prelimanary drilling at Koh-i-Yatimtaq and and Shiberghan was completed. Construction of the turbine powered drilling tower was undertaken .

In addition to the above mentioned activities the following work was carried out:

1) The construction of the buildings at the working site in Mazar-i-Sharif Province and in Mazar-i-Sharif was continued.

2) Levelling of the road beween Jalalabad village up to Antiklin at the Yatimtaq mountain was completed. About 100 tons of drilling equipment was transported to the Yatimtaq site.

3) General geological reconnaissance was carried out in the northern part of the conntry outside the areas where petroleum research was carried out.

4) A 100 hours acclerated course in seismetry and ano the course to train the drivers of the Petroleum Departmnt were organized.

The following activities on construction and procurement of material were undertaken:

1) Three new buildings, two storeys high with 16 rooms each were completed at Mazar-i-Sharif.

2) A building, two storeys high 26 rooms for the foreign experts was completed at Sar-e-Pul.

3) A two storey building to be used as alaboratory was completed at Mazar-i-Sharif.

4) The contruction of a garage was completed.

5) The construction and the installation of a water reservoir 12 meter high was completed at Mazar-i-Sharif.

6) Office equipment and household implements were prepared for the employees.

Geological mapping on a scale of 1:200,000 covering an area of 4,000 sq. km., mapping on a scale of 1: 25,000 covering an area of 190 sq.km. and mapping on a scale of 1:50,000 covering an area of 90 sq.km. were completed.

5 *Coal*

51 The Karkar Coal Mine: Cartographic works and preparing of hydrological graphs were carried out on these parts of the mines where access was possible. The plans for the extension of the Karkar and Dudkash mines were completed. Metal supports were installed in the galleries and the galleries were widened to 9 metres.

A storehouse with equiqment capable of charging 300 batteries was constructed. Housing for 400 employees was constructed. Rails were laid in the galleries on a length of 1500 meters. The entrance of galleries was modernised.

511 The Coal Association : The following activities were carried out by the coal Association:

1 Planting of trees in an area of 20 hectares (100 jiribs)

2 Tending to the seedlings in 60 hectares (300 jiribs.)

3 70 hectares (350 jiribs) of lands in Eshkamish were taken over. for Improving the Bagh Zakhira and reclaiming land for agriculture.

4 The garden of Karkar was taken over and irrigation ditches and other improvements were made.

5 The carpentery work for 3 blocks of Shish Coty for the residence of the staff was completed. The building of 10 garages for the motor vehicles was completed. A building for blacksmithery and welding was completed. Some buildings were repaired.

6 Some workshops were completed including the installation of sawing machines, wood scraping and drilling machines, and also machines for making air conditioning pipes.

7 The installation of a carpentry shop with machines for sawing, scraping and drilling was completed. A metal work shop was completed.

8 The constrution of an electric power plant of 250 kw was almost completed

9 An automatic telephone exchange unit was installed and put to use.

10 The electric line poles of the Karkar mine from Karkar to the dam of the Power Station were replaced with cement poles.

52 The Ishpushta Coal Mine: The cartographic surveys and hydrological graphs were carried out in those parts of the mines where access was possible. The plans for extension of the mines and the procurement of transport equipment in one of the galleries, 250 meters long was undertaken.

Effective equipment for lighting and material for the railways of the mines was procured.

The extension of a road and a railway and the installation of metal sewage pipes were completed from gallery no. 4 to gallery no.5 in a length of 700 meters.

A generator of 250 KW. and the construction of a building for the generator next to the main road were completed.

The present buildings up to the mine were repaired.

The production capacity of the Ishpushta mine is at present between 25 - 4o tons per day. This production will be increased with the increase in personnel. It is envisaged to construct a bridge and a warehouse at Taluqan. A public bath house for the workers of the mines was completed.

55 Herat Coal Mine: Mining at the Herat Coal Mine in Karrukh was continued according to the contract signed between the Ministry and the Herat provincial authorities.

54 Dar-e-Suf Coal Mine: The road between Qala-i-Sarkari and Samangan was levelled on a length of 80 km. Recently this road was extended to Dahantur so that the important Dar-e-Suf Coal Mine is now connected by road to Mazar-i-Sharif and also to Kabul via Samangan.

Housing for foreign technical experts was completed.

6 *Non Metallic Mines*

61 Salt: The production of salt at Andkhoy was slightly increased. A significant increase in production of the Keleggan mines took place. Because of the lack of the demand the production of the Mazar-i-Sharif mine decreased by 42% during the first six months of the year.

62 Slate: A new plan for the extraction of slate was completed. The work of extracting slate at the Kohna Maidan continued from the 21st of March 1959 up to 24th of July 1959 and during this period 1,613 sq. meters were extracted. Due to the lack of demand the production was later postponed.

63 Lapis Lazuli: Due to unfavourable weather the extraction of lapis lazuli was stopped at the end of Octobber 1958. During the first half of the third year of the Plan, 1,400 kilos of lapis lazuli were transported to Kabul. A light compresser was bought from the U.S.A. The construction of the new road from Jira to the mine was continued and further research was being carried out to find new mines. 450 kilos of lapis lazuli were cut and part of it was graded as as follows:

1	grads	217	grammes
2	grade	747	"
3	grade	6	uilos
4	grade	49	"
	below	95	"

An expert from Techno - Export was employed to undertake geological surveys and search of new lapiz lazuli mines. Together with the head of the Lapis Lazuli Department he surveyed various areas successfully. A new mine which started production this year yielded 1,795 kilos of lapis lazuli.

7 *Metallic Minerals*

71 Beryl: 65 tons of extracted beryl were sent to Peshaawar and were according to a contract handed over to an English mineral firm.

72 Iron: Two Russian experts were employed to

survey iron-mining potentials. After having studied the previous reports and exchanged views with Afghan and foreign experts, they surved the areas of Jabelseraj, Paghman in Hadji-Alam, Qala-i-Asad- Khakrez, Qandahar and Palang Sar Herat. The report of survey has been submitted to the Ministry. According to the reports it is estimated that the iron resources on the places surveyed amount to 20 million tons, consisting of hematite, magnetite and timotite. The most important resources are found to be in Jabel Seraj, Hadji Alam Qandahar and Palang Sar. The exploitation of the resources in Jabelseraj will be rendered difficult due to lack of coke - holding coal. The Hadji Asam resources may be exploited by use of the power plant to come. The Palang Sar reserves can be utilised before the others.

The experts have suggested that more intensive studies including chemical analysis of the ore be carried out in three places. They have estimated the cost of a smelting plant to 50 million dollars.

The report is under the consideration of the Ministry.

Expenditure During the Third Year of the Plan

Code No.	Name of the Project	Expenditures in foreign currency	Equivalent in Afghanis	Expenditure in Afghanis	Total in Afghanis
		Dollars			
1	***Administrative***				
12	Transport department	—	—	14,396,535	14,396,535
2	***Surveys***				
21	Hydrology	—	—	614,682	614,682
22	Geology	—	—	309,100	309,100
23	Mineralogy	—	—	137,967	137,967
24	Topography	75,000	2,426,250	27,500	2,453,750
25	Aerial survey	75,000	2,426,250	39,404	2,465,654
3	***Training***	11,207	362,546	8,000	370,546
		£ 300	27,174		27,174
		D.Mark 23,229	178,863		178,863
4	***Petroleum***	813,306	26,310,449	12,782,700	39,093,149
5	***Coal***	£ 198	17,935	2,997,992	3,015,927
6	***Non-metallic minerals***	—	—	3,153,396	3,153,396
7	***Metallic minerals***	—	—	87,127	87,127
		974,513			
	Total.	D.Mark 23,224	31,749,467	34,554,403	66,303,870
		£ 498			

Rate of exchange:

1 Dollar = 32.35 Afghanis
1 £ = 90.58 Afghanis
1 D.Mark = 7.7 Afghanis

Performance During the First Six Months of the Fourth Year

1 Administration

123 The Transport Department: Approximately 90 of the 104 trucks belonging to the Transport Department were in operation and the following transport operations were carried out against payment on behalf of the Mining Department or other Ministries and departments.

Commodity	Kilos	Revenue in Afghinis
Coal	11,734,280	7,011,507
Cement	2,217,800	1,050,331
Salt	193,613	102,936
Molasses	24,730	18,060
Wheat	340,538	187,025
Miscellaneous	—	140,978
	15,510,961	8,510,873

122 The workshop: The workshop of the Transport Department built bodies for 43 lorries, double brackets on 69 lorries and carried out other construction and repair work.

2 Survey

21 Hydrology and Hydrometry: Two additional river gauges were erected in the Nangarhar Province. Monthly data on the water flow were received from these and from the river gauges erected in Kabul river during the third year.

The UN expert in hydrology submitted a report on preparations for a hydrologic survey for the exploitation of underground water. The report will be submitted to the United Nations together with an application for assistance from the Special Fund for carrying out the survey.

Drilling: A deep well of 90 meters depth was drilled at Puli Charkhi on request of the Ministry of Defence, with assistace from German experts. The drilling of a deep well at the Zindabanan Workshop was started. 5,000 dollars were transferred for the purchase of pipes, fitters, plastic and drilling equipment from Germany. The store house for the drilling equipment was almost completed.

22 Geology: The systematic surveys of coal resources were continued. The geological mapping of the mine of Karkar was completed. Samples of coal from the mines were sent to western Germany under the German Technical Assistance Programme for analysis with regard to their quality for coke production. South east of the road between Ghazni and Qandahar, the geological photosurvey and the land-survey were carried out from the point of view of stratography and location of the buildings for the petroleum resources. The survey was undertaken by a group of German experts under the German Technical Assistance Programme and their Afghan counterparts. An area of about 1,000 sq.kilometer was photographed and maps were prepared. About 199 samples of rocks were brought to the newly completed laboratory of micropaleontology for analysis. A survey was commenced in the desert region of the Qandahar Province with the purpose of locating strata from various geological periods.

The laboratory for micropaleontology was completed. The chemical laboratory was completed except for the installation of technical equipment which had not yet arrived. The potographic atelier started its operations.

23 Mineralogy: Reconnaissance surveys in search of radioactive materials were completed by the expert of the French Technical Assistance in the north of Hindu-Kush and other places of the country except Badakshan. The reports and maps resulting from these surveys were submitted to the geological survey of the Mining Department. The search for minerals in riverbeds was postponed, awaiting a renewal of the contract with the German Technical Assistance.

24 Topography: The work of putting the names on the photographic maps prepared by the experts of Techno-Export and the Afghan topographers was completed. The ground control work related to this part of the work was also completed. The ground control related to the aerial survey carried out by the Fairchild Company was completed.

25 Aerial Survey: The SHORAN (Short Range Aerial Navingation) control work and the aerial photographs of the area south of Hindukush were completed by the Fairchild Company according to the agreement. The photos of this area reached Kabul during the period under review. The aerial photos of the northern part of the country reached Kabul according to the contract with Techno-Export. The photos were classified and filed in special files so that they are accessible to departments and institutes who need to study them.

3 Training of Personnel

Four persons from the Electric Company and five persons from the sugar factories went to western Germany to study electric technique and sugar production on a one year followships under the German Technical Assistance programme. 9 workers and mechanics from the Jangalak Factory and 34 workers and mechanics from the Petroleum Department went on nine months fellowships to the USSR for training in machinery techniques. Three persons from the petroleum Department went to Burma for two years training in drilling operations for petroleum.

4 Petroleum

1) The general geological investigations were carried out according to the plan. Seismic maps and

profiles of 880 km. were completed for the Andkhoy, Dashteganj and Tashkungar areas.

2) Datailed geological mapping in the scale of 1:50,000 was carried out in an area of 850 sq. km.

3) a) Electric logging was performed in Sarepul well No:1 and the derrick and drilling machinery was dismantled.

b) A 922 meter deep well was drilled in Yatimtaq.

c) Drilling to a depth of 1214 meters was done in Jangalqatan.

d) The drilling equipment was rigged in Sheran and boring to a depth of 141 meters was performed.

5 *Coal*

51 The Coal Association:

52 The Ishpushta Coal Mine: 10,100 tons of coal were mined during the first six months of the fourth year of the plan. The construction of an electric power station of 250 KW was completed and was put to use.

51 The Karkar Coal Mine: 16,900 ton coal was produced during the first six months of the fourth year. The following works were carrid out by the Coal Association:

1. Erection of poles and drawing of lines for the distribution of electricity for the Karar Mine.
2. Construction of a 250 KW station was completed.
3. Construction of an eight kilometer telephone line was completed.

54 The Dar-e-Souf Coal Mine: The production was continued. The 230 kilometer road between Samangan and Qala-i-Sarkari, the centre of Dar-e-Souf, commenced during the second half of the third year, was completed.

6 *Non-Metallic Minerals*

61 Salt Mines: In all 11,973 tons of salt was produced and sold. The revenue from the sale was 6,771,181 afghanis. The production of the various mines was as follows:

Name of the mine	Quantity Produced	Revenue
Talaqan	6,484 tons	3,226,464 Afs.
Andkhoy	4,378 tons	2,903,424 Afs.
Kalafgan	858 tons	435,107 Afs.
Mazar-i-Sharif	253 tons	206,356 Afs.
Total	11,973 tons	6,771,131 Afs.

62 Slate. The production of slate was discontinued for the time being due to lack of demnd for the product. The slate is commonly used for black boards in schools and for flooring in houses.

62 Lapis-Lazuli: An expert was employed for four months for locating new mines and for completing the geolgical maps of Badakshan. He submitted his report and recommendations together with geological maps of the Lapis Lazuli areas and sketches of new mines along with production plans for mines 1 and 2. The expert gave samples of the Lapis Lazuli to the Geological Survey Department and sent other samples to Moscow after concluding his survey work. The last report will be submitted when these samples have been analysed in the laboratory in Moscow. 1295 kilos of Lapis Lazuli were transferred to the store house, and sorted by a commission consisting of three persons. The following results were obtained:

1 First class	: 9.22	kilograms
2 Second class	: 10.11	kilograms
3 Third class Lapis Lazuli not cut mixed with other stones	44.18	kilograms
4 Fourth "	245.15	"
5 The remaining Lapis Lazuli after cutting and sorting	1486.10	"
Total	1794.76	gilograms

A contract was signed with the Peking Arts and Crafts Company for the sales of Lapis Lazuli for a value of £37,965 annually.

64 Sulphur: A preliminary plan was drafted for the mining of sulphur in Chantal in Mazar-i-Sharif.

65 Barium Sulphate: 318 tons of crude barium sulphate was produced at Fringel in Ghorband. 248 tons of refined barium Sulphate was shipped to the Petroleum Department.

7 *Metallic Minerals:*

71 Gold: A contract was signed with the Tiazh Prom Export Co. of the USSR to provide for an engineer to survey the washing of gold with a view to improving the methods applied.

72 Iron: Preliminary surveys were carried out by experts from Techno-Export in the areas near Kabul, Qandahar and Herat for exploring the possibilities for establishing a small iron smelting and Steel producing factory. Samples of iron ore were sent to Moscow for analysis.

Expenditures During the First six Months of the Fourth Year

Code No.	Name of Project	Foreign Exchange	Equivalent in Afghanis	In Afghanis	Total in Afghanis
1	***Administration***	(Dollars)			
12	Transport Department	28,000	905,800	8,016,908	8,990,748
		PKR 12,000	68,040	—	
2	***Surveys***				
21	Hydrology	—	—	733,708	733,708
22	Geology	—	—	1,169,267	1,169,267
23	Mineralogy)				
24	Topography)	—	—	64,267	64,267
25	Aerial survey)				
3	***Training***	5,235	169,352	—	323,970
		D.Mark. 20,080	154,618		
4	***Petroleum***	4,028	130,306	7,514,042	7,644,348
5	***Coal***	—	—	3,000,000	3,000,000
6	***Non metalic minerals***	—	—	—	
7	***Metalic minerals***	—	—	50,240	50,240
	Total.	Dollars 371,262			
		PKR 12,000	1,428,116	20,548,432	21,976,548
		D.Mark. 20,080			

The rate of exchange. 1 Dollars = 32.35 Afghanis.
" " 1 D.Mark = 7.7 Afghanis.
" " 1 PKR = 5.67 Afghanis.

Objectives For the Fifth Year

1 *Administration*

12 The Transport Department: The Department will continue to undertake transport of coal from the mines and other transports for the government.

2 *Surveys*

21 Hydrology and Hydrometry:

1) New gauges for measuring the water flow will be set up in various rivers in the country. Statistical data will be collected from them.
2) A systematic hydrology survey of Kabul will be carried out and maps will be prepared. Water analysis will be carried out in t e geological department. Underground water surveys will be carried out in Andkhoy and Qunduz.
3) Drilling: New drilling equipment such as pipes, plastic fitters, pumps for taking samples of the water, equipment for examining the shape of the wells and antiseptic matarial wil' be imported. When the equipment has arrived the the drilling will take place. The equipment will be arranged in the newly constructed store room

22 Geology and Mineralogy: The geological photography to the South East of the road between Ghazni and Qandahar will be continued. The surveys of the northern areas such as Karkar, Ishpusta, Dar-e-Suf and Herat will be continued. Strategraphic studies will be continued in all the areas between Kabul and Khost.

The follwing works will be undertaken:

Geological mapping of the north of country and the Helmand Valley, surveys of the Mazana valley in Ghorband, survey for copper and other minerals, continuation of survey for beryl in the upper Panjsher, continuation of the preparation of geological maps in the scales of 1:1000,000 and 1:500,000 and the continuation of photographic work . Camping equipment, field work equipment and equipment for drafting of maps for 10 Afghan counterparts to the foreign geologists, will be imported. Stationary and other office equipment, geological maps and laboratoy equipment for the "micro palentology laboratory, for petrography and for the thin section,, will be imported. Search for radioactive material will be carried out with the assistance of the French Atomic Energy Commission. Organization of the geologic library and the reading room will be carried out. Books will be imported. The organization of a museum for stones and minerals will be continued. Investigation will be made with regard to the construction of a modern institute of geology. A garage and a store room for transport equipment will be constructed near the Geology Department in Darulaman. Plumbing of the analytic laboratory will be carried out.

24 Topography. A draft of the naming of geographic features on the aerial photography will be prepared and submitted to the Ministry by the Fair child Company of the U.S.A.

25 Aerial Photography: A laboratory for photocopying will be established to copy the aerial photos for the persons and institutions which will need them. The archives with special cabinets for keeping the aerial photos and maps will be organised. A fireproof room for the negatives will be established.

4 *Petroleum*

1) Search and drilling for petroleum will be undertaken.
2) Search will be carried in new areas and one or two wells will be drilled .
3) Geological survey and mapping on a scale of 1,500,000 will be carried out in an area of 47 sq.km.
4) Gravimetric surveys in a scale of 1:500,000 will be undertaken in an area of 9,000 sq. km.
5) The seismic surveys will be continued in an area of of 43000 sq- km.
6) A drilling course, will be conducted for a number of Afghan drillers.

5 *Coal*

The Coal Association expects that the coal production will increase from 40,000 tons a year to 50,000 tons a year when the new contruction works in the mines including laying of pipelines and electric installations, have been completed.

51 The Dar-e-Suf-Mine:

1) 3,000 tons of coal will be extracted for the supply of Mazar-i-Sharif City and the military garrison.

2) New galleries will be made.

3) Geological survey of the mines will be carried out. Store rooms and power equipment will be provided.

4) The Dar-e-Suf road will be gravelled.

52 The Herat Coal Mine:

1) About 2000 tons of coal will be extracted for the supply of Mazar-i-Sharif.

2) A project for the extraction of 10,000 tons during the Second Five Year Plan will be prepared.

6 *Nonmetallic Minerals*

63 Lapis Lazuli:

a) A gcological survey to determine the resources of lapis lazuli will be carried out.

b) It is planned to extract a large quantity of lapis lazuli which will be carried out to Kabul.

c) Second grade stones will be used for the decoration of buildings.

65 Barium Sulphate:

a) 3,000 tons of barium sulphate will be extracted during the fifth year.

b) Steps will be taken to increase the capacity of the mine.

c) Half a hectar (2 jiribs) of land will be bought for the construction of the head office of the department for barium sulphate .

d) A building for offices and store rooms for equipment of the department will be made.

7 *Metallic Minerals*

71 Beryl:

1) The extraction of beryl in the Nur valley will be started.

2) Quarts and feldspar will be extracted for the ceramic factories.

73 Gold: The studies of gold washing and of the location of gold- containing sands will be continued.

MINISTRY OF AGRICULTURE

Highlights of Progress

Afghanistan is primarily an agricultural country and more than 80% of its population is engaged in agricultural activities.It has therefore been considered advisable to raise the standard of living of the people both socially and economically by devoting major offorts, to the task of increasing agricultural production. The Ministry of Agriculture has started several programmes e.g. improvement of crops, improvement of animal stocks, campaigns against animal and plant diseases, agricultural extension, training of technical personnel and utilisation of local and foreign experts. A summary of these programmes will be given below.

Training

Of the six officials who previously went abroad for advanced training in agricultural technology three have now returned to Afghanistan and are at present employed in Veterinary Department in the Agricultural Extension Department and in the Agricultural Chemistry Laboratory. Another group of students has been sent abroad for agricultural studies. Various courses have been conducted by Afghan and foreign experts for instance on statistics, agricultural extension, agricultural and Science and soil chemistry.

The courses of the Veterinary School at present attended by 83 students are progressing satisfactorily. A number of the students is due to graduate from the school at the end of the fourth year of the Plan.

Guidance To The Farmers

The Ministry of Agriculture has been engaged in guiding farmers in the use of improved seed methods of harvesting, sorting and storing of seeds and the use of modern farming horticultural implements. Pamphlets and photographs have been published and distributed. Weekly radio rogrammes for farmers have been broadcasted by Radio Kabul.

Irrigation

The work on the Ajmir Canal in Qataghan has been 40% completed.

25 tunnels and the installation of the syphon at Jarkhoshk were 85% completed and the installation at Hassantal was 75% completed.

The survey of the Archi Canal has been completed and the plans for the construction have deen drawn. These plans are at present being studied by experts from the United Nations.

Experimental Farms and Laboratories

Seeds for cereal crops and vegetables are being tested at the experimental farms for resistance to plant diseases. The varieties that have proved satisfactory are distributed to farmers. Various kinds of seeds were imported from abroad.

Special attention was paid to breeding improved stocks of sheep and horses and to improving the silkworm, bees and fish. A number of laboratories were established with the the purpose of analysing soil samples, making surveys of plant diseases and organizing camgaigns against them, diagnosing animal diseases, producing vaccines and organizing campaigns against animal diseases.

Forestry

Preliminary arrangemets were made to undertake surveys to derermine the prevailing forest diseases and to survey the Mandahi forests. Cadastral surveys were made for determining the contour lines of the four hills at Puli Charkhi and a mumber of hills in Tangigharu. Planting of trees along the newly constructed mainroads from Kabul to Qizil Qala and from Kabul to Torkham was commenced.

Orchards

A number of nurseries were established for planting and multiplication of fruit and other tree seedlings. Large number of various varieties of fruit trees were grafted and pruned by the technical personnel of the Ministry.

Control of Animal and Plant Diseases

Campaigns against animal and plant diseases were carried out.

Performance During the Third Year of the Plan

1 Raising the Standard of Profiency

11 Three officials from the Ministry studied at the college of Agriculture. Six officials of the Ministry sent abroad for training completed their studies, returned and

began their work in the departments of veterinary and agricultural extension and in the agricultural chemistry laboratory.

12 An agricultural course for 14 persons was started with Afghan and foreign experts as teachers. Six officials completed their training in the soil chemistry laboratory and commenced their practical work in the laboratory.

Four staff members were working half-day with the Wyoming University Team at the Aliabad Experimental Farm and studied in the College of Agriculture during the other half.

The staff of the Agricultural Extension Department was increased with 13 officials who are specialists in plant diseases.

The training at the Veterinary School progressed satisfactorily with 73 students. The first group of students will graduate during the fourth year of the Plan.

Assistance and Guidance to Farmers

Improved methods: For guidance and training of the farmers in new methods of agriculture, 9 persons were sent to the following districts in Kabul provice; Kodaman, Deh- Sabs, Sarobi, Char - Deh, Wardak, Bagram and Paghman. They gave demonstrations and training in spraying of chemicals, new agricultural methlods, how to use chemical fertilisers and how to use new agricultural implements. Films were also used. Use of sprayers for spraying of chemicals were demonstrated and sprayers were distributed to farmers.

22 Improved tools: The use of simple sprayers as well as of simple agricultural implements were demonstrated to farmers in Kohdaman.

23 Improved seeds: Officials of the Cotton Company and personnel from the ministry have been assigned to cooperate with and give instruction to farmers in harvesting and storing cotton seeds in Qunduz, Qalaizal, Hazrati-Imam, Khaja Ghar, Dashta Qala, Khanabad, Baghlan, Aqcha, Shiberghan, Balkh, Nahr-e-Shahi Kishendeh and Dawlatabad.

During the third year the following quantities of seeds of sugarbeet and cotton were distributed to the farmers in the following provinces for sowing:

a. cotton seeds:	1 Qataghan Province	:	3,072,515 kilos
	2 Mazar-i-Sharif ,,	:	588,754 ,,
	3 Shiberghan and Aqcha ,,	:	417,130 ,,
	4 Maimana ,,	:	174,629 ,,
			4,253,028 ,,

b. sugar beet seeds: 143 tons were distributed to the farmers in the Ghuri, Baghlan and Qataghan provinces. The agricultural technicians of the Ministry assisted and guided the farmers in irrigation and cultivation of the seeds.

Nebred wheat which has proved good in yield and rust resistance was cultivated in the districts of Serai-Khoja, Istalif, Qala Khan, Shakar-Darah, Wardak, Deh-Sabz, Paghman and Bagram.

25 Chemical fertilisers: After demonstration the farmers used various kinds of chemical fertilisers like nitrate, phosphate and potassium on their land. Trials of chemical fertilisers were carried out in Bagram and Qalai -i-Kazi with the following results:

a: use of no fartiliser: prouction 165 kilos of wheat per hectar.

b: use of 165 kilos of nitrogen per hectar production 1485 kilos of wheat per hectar. (28% increase)

c: use of 330 kilos of nitrogen per hectar production 1990 kilos of wheat per hectar.

d: use of 220 kilos of phosphate per hectar production has increased 20%

These experiments thus showed favourable results from using chemical fertilisers.

3 *Land Improvement and Irrigation*

The Ajmir Canal: The Irrigation adviser from FAO with 3 experts and their assistants went to Baghlan to conduct a survey of the Ajmir Canal, and to draft a plan for the construction of the canal, in particular to make designs for laterals. Instructions were given to the agricultural department of Qataghan to arrange for sufficient concrete pipes for the laterals. At Ajmir a new canal was dug for a length of 250 m of 10 meter width and 2.5 meters depth. Flood ditches of stone were built 150 meters long, 1.5 meters wide and 2 meters deep. The Ajmir, Archi and other canals of the Qataghan Province were cleaned to facilitate water flow. Two outlets were made for experimental use in Qishlag Ashtar and pipes were made with a circumference of 150 centimeters. In Jar Khushk a canal was dug in the length of 2,100 meter, 3.5 meters wide, 5 meters deep to be used for a power plant. The setting up of pumps was continued. The Siphon of Hassantal was almost completed and a sufficient amount of water for the downstream lines was carried. A plan for controlling the flood on the upper part of the Ajmir Canal by use of a flood-controlling canal of a length of 54.69 meters and 8 meters wide with a capacity of 20 cubic meters per second was drafted by the irrigation expert. 80 % of the construction work on the lower part of the flood-controling canal at the previous established electric station at the Ajmir Canal was completed.

The surveying of the swamps at the Ajmir Canal were carried out and the detailed survey of the drainage system will be carried out in the near future. The following results are expected from this project:

a) A more equitable distribution of water between the farmers upstream and near the canal and the farmers downstream and further away from the canal will be achieved also resulting in optimal use of the water.

b) Control of the watering of the land will prevent the land from being spoiled.

32 The Archi Canal: The topographical work with a view to protecting the area against flood was completed in the area where the Kokcha river flows into the canal. The remaing work on the Archi Canal was continued. The irrigation adviser surveyed the water sources of Samangan and found sufficient water for irrigation development.

33 Dashte - Kelagai (The Kelagai Desert): The survey of the desert, carried out on request from the Ministry of Mines and Industries was completed with the help of technical personnel of the Ministry and two irrigation engineers from FAO. When completed the proposed canal will irrigate at least 2,200 hectares.(11,000 jiribs) of the land.

35 Other canals and dams: On request from the Rural Development Department the irrigation adviser surveyed parts of the Logar river with a view to finding potentials for smaller irrigation schemes. He submitted his report to the Rural Development Department. The Irrigation Adviser suggested that a storage dam be constructed on the Qunduz river 40 kilometers north of Baghlan city. The site will now be surveyed and the report will be submitsed to the Ministrv.

4 *Experimental Farms and Laboratories*

41 Experimental farms: Trials have been made at the Aliabad Experimental Farm with seeds of different varieties of vegetables with a view to comparing types of local vegetables with those produced abroad. Out of 190 types tried, 72 proved successful. Seeds of these vegetables were imported to be distributed to farmers. Twenty species of vegetables and some species of mountainous tree seeds have been sent to Nangarhar province for multiplication.

Acala No. 44 (cotton) proved satisfactory after yield trials and was multiplied at the Otabloqi Experimental Farm. The multiplied seeds will be distributed by the Cotton Company to farmers for cultivation. It will be suffcient for 600 hectares (3,000 jiribs).

Five varieties of maize and one variety of Egyptian rust resistant wheat were tried at the Otabloqui Station. Beet strains were imported from India and planted in experi mental farms for rust resistance trials. In the green house of Aliabad 34 varieties of tomatoes ,12 varieties of pepper, 5 varieties of cabbage, 7 varieties of spinach, 3 varieties of eggpiant, 9 varieties of carrot, 6 varieties of beans and 6 varieties of pumpkins were undertrial.

43 Animal Husbandry: The experimental breeding farm for sheep in Qandahar was continued. 100 hectares (500) jiribs) of land were purchased for the experimental farm of Qataghan for breeding of Karakul sheep. Of the horses imported from USSR seven stallions have been used for breeding.

45 Laboratories: At the Laboratory of Agricultural Chemistry a local expert was assigned to establish the administrative and technical organization of the laboratory. Six technicians from the Ministry who are graduates from the School of Agriculture were appointed to work under him. The laboratory collected samples of soil from the Government gardens at Nangarhar and the cotton and sugar beet fields at Qataghan for analysis.

Of 400 samples of soil collected from Qataghan and Nangarhar provinces only 100 could be analysed during the year. 15 samples of soil brought from the Herat Province by the Ministry of Mines and Industry were analysed and the report sent to the Ministry. Laboratory equipment and supplies such as 440 manual and power sprayers, 1 set of fumigation equipment and various chemicals and insecticides were imported. Two services of survey and research were established for the provinces of Qataghan and Herat, and laboratory equipment and supplies were provided to each of the two services. Appropriate buildings for these services will be constructed. Experts and engineers assisted in drawing a plan for the construction of a building for the laboratory of plant of a building for the laboratory of plant diseases in Kabul.

At the laboratories for plant diseases in Herat and Qataghan experts collected samples of various plant diseases.

Vaccines against various diseases for 1,026,050 animals were produced during the third year in the Kabul Vaccine Laboratory. Chemicals to destroy earthworms were produced in the Qataghan laboratory.

5 *Nurseries*

52 At Gulzagar station 6,305 trees were planted and 10,160 fruitless seedlings were grafted. 2 hectares (10 jiribs) of land were made available for planting of seedlings. 1,000 seedlings of various kinds of fruit at the Gozargah station infected with diseases were treated with chemicals by the staff of the Ministry. Three hectares (13 jiribs) of land in Gulbagh were prepared for planting of 100 fruit seedlings.

2,400 seedlings were transferred from Gulbagh to Tangeghru for planting.

521 At the Paghman Station various fruit and fruitless seedlings were planted. An amount of seeds of lemon and pines were planted. 50 kilos of fruitless seeds brought from abroad will be planted in the Paghman Station and other places during the next year. On the

graveyard of King Nadir Shah Shaheed 2,148 fruitless seedlings were planted.

53 Breeding centres

531 The breeding of fish was continued in the Paghman Pool.

532 Silk worm stations: 92 tins of eggs for breeding were sent to Nangarhar, Parwan and Darul-Aman. The results from these eggs were 16,835 tins of commercial eggs and 346 tins of breeding eggs. The product of silk amounted to 680 kilos. 6 hectares (30 jiribs) were taken over in Abdul Khel for the building on this Station of a new station. 30 mulberry seedlings will be planted 28,000 Afghanis were spent on the preliminary work on this farm. Instruments and equiqment such as nets, tins for eggs, paper etc. were orderd from abroad. 8,000 eggs were imported from Japan for the improvement of the silkworm breeding. One employee of the Ministry was sent to Abdul Khel to undertake a survey of the temperature. Two refrigerators and two generators for the silkworm station in Abdul Khel were ordered from abroad.

533 Beekeeping stations : A training course including practical training was conducted in breeding in Jalalabad Bee Breeding Station, 42 families of bees were placed in Jalalabad for control and breeding. A number of families of bees bred there were distributed. The bee breeding centre at Baghe Bala Pool was halfway completed.

The cultivation was continued and a survey was made to find suitable locations for breeding of bees. Five stations were established, one in Kodaman, one in Julrais one in Paghman, and two in Paktia Province.

Following a request from the Cotton Company the Ministry sent an expert to Qataghan Province to explore the possibilities for beekeeping. The report submitted to the Ministry showed that conditions in the Province were favourable for beekeeping.

A number of beehives earlier set up in Serai Khuja, Paghman and Qaria-Ahanagaran-Bebrase, were sent to Nangarhar during the cold period.

6 *Forestry*

5 hectares (24 jiribs) of land at Paghman Station were prepared for planting of trees. Hill sides at Qargha, Maranjan and Chonghur were levelled for planting of trees. At Bagh-e-Bala preparation of soil for planting of trees was commenced. An Afghan and a foreign expert went on request from the Ministry of Agriculture to the forests of Paktia Province. investigated the forestry problems. They submitted a report including recommendations for forestry planning. The report is under consideration. In the district of Khost an area has been put under complete protection for the purpose of observing how the forests will develope if left completely to their own. In the Mandhi forest, an area has been selected to see how weeds are growing when the forest is left without cultivation. Seedlings were taken from this forest and were, under the control of experts, planted in bare spots in the forest. In Deh Marad Khan and Deh Dana an underground silo was dug for collecting leaves for compost. Along the road from Khotal Kheir Khana to Bagram Airport were dug 4,100 holes for planting of acacia and almond trees and flowerbushes. 600 meter of pipes were laid down for irrigation on Tappa Maranjan.

7 *Orchards*

71 Training: A horticultural expert was employed. 3 Persons trained at the gardening course were sent to Paktia Province and 3 to Nangarhar Province to perform grafting. In Paktia Province 20,000 fruit trees were] grafted and 9,000 trees were pruned. In Nangarhar a large number of trees were grafted. 19 persons completed the gardening course and are now employed by the Ministry. It is the intentions to send them to the provinces to give demonstration and instructions to the farmers in grafting and pruning.

72 Ornamental trees and fruit trees from Paktia, Qandahar and Herat and imported species of grafted oranges were planted in Jalalabad and Nangarhar.

A number of fruit trees and ornamental trees were planted at Baghlan Experimental Farm.

At Aliabad Farm almost one hectare (three jiribs) of barren land were made ready for cultivation. Seeds of apple, pine, apricot and cypress were planted.

At Gozargah station 57 kilos of apricot stones and seeds of acacia, cypress and jasmin were sown. Land was prepared for the cultivation of pines. A number of pine plants was sold or given to the Municipality. At Gulbagh station jalgosa seeds were sown and 800 apricot trees and apple trees were grafted.

Horticultural experts and their assistants grafted 25,000 fruit trees at the stations of Kareze Mir, Gozargah, Aliabad, Najarkhana and in the gardens of the Military Officers Club. A survey was commenced with the purpose of finding potentials for cultivation of olives in Paktia province.

In the Najarkhana garden the soil was prepared and 3,000 flower pots were planted. 1,900 seedlings of almond, apple, apricot, Japanese mulberry etc. were planted.

In the garden of Bagh Bala which was not cultivated for some years the cultivation was started with the planting of seedlings of pear, apricot, acacia and pine.

8 *Disease Control and Preventive Measures*

81 Animal diseases: Six experts were employed to advise in various fields related to the Veterinary institute such as artificial insemination, bacteriology ,

virology, veterinary and entomology. In Farah,Herat, Paktia, Qataghan, Ghazni and Kabul 653,516 animals were vaccinated against various diseases with vaccines from the Kabul Vaccine Laboratory. 20,000 capsules against lungworm were distributed. A large number of sheep are every year lost due to this worm . 500 animals were treated for intestenal worms.

82 Plant diseases: Chemicals against plant diseases were purchased such as E- F. 605. sulphur, DDT, malathion and corosan. The plant protection sections in the provinces of Mazar-i- Sharif and Shiberghan were furnished with manual sprayers.

700 tons of chemicals against locust predicted to become severe in 1959 were purchased and arrangements for further import have been made.

660 tons of exoflonam were sent to Mazar-i-Sharif and Qataghan to be used against locust. It was sprayed by the help of aircraft and by other means. The attacks were stopped. The work done was:

a. 53,373 hectares were treated with chemicals;

b. on 10,679 hectares, locust was killed by local people.

c. 253 tons of locusts were collected.

38 tons of sulphur against vine cancer were purchased and handed over to the Agricultural Bank together with 6o sprayers for selling to the farmars. Two specialists were made available for the Rural Development Department to assist in campaigns against plant diseases. In the provinces of Kabul, Qandahahar, Herat and Farah chemicals were used against vine cancer. 1,698,083 vineyards and 62,167 trees were sprayed. The result was satisfactory. The wheat planted in Najar Khana proved to be resistent against rust. The seeds were brought to green houses for continued trials. Five species of rust resistant sugar beet were put to test there and two of them proved successful.

The district of Wardak, Kahmard and Saighan were surveyed. A special worm was found in the soil of the districts. Research will be made in the Kabul Laboratory to find means of eradicating the worms. A team of workers with an expert went to the Maimana Province to survey a plant disease, Kafschakh. It was found that the disease was not predominant.

9 *Administration and Miscellaneous*

91 Committees were organized to work out suggestions for the policy of development within the various fields of activities of the Ministry. Foreign experts from FAO and ICA assisted the committees and their reports formed the basis for a general conference on agricultural development policy. A programme will be formulated and submitted to the Cabinet for approval.

10 *Construction*

The following activities were carried out by the Ministry:

1 The construction of the centre for sheep and horse breeding in Kabul was almost completed.

2 The first part of the silkworm station in Gulbagh was completed and the second part was started.

3 The construction of a building for artificial insemination was continued.

4 The new school of veterinary including library and other facilities was almost completed.

5 The construction work of the animal disease laboratories in Herat, Qandahar and Qataghan was continued.

6 The construction of buildings for silkworm culture in Abdul Khel, Bagh - i - Makbara and Qalat - i Saraj in Nangarhar and the digging of wells in Jangaharn were continued.

7 The construction of a pool with stone floor in Bagh Bala was almost completed.

Expenditures During the First Six Months of the Fourth Year

Code No.	Name of Project	in Foreign exchange (Dollars)	Equivalent in Afghanis	in Afghanis	Total in Afghanis
1	Raising the standard of proficiency.	13,682.00 Rs. 1,188.00	390,183.38	966,554.24	1,356,737.62
2	Assistance and guidance to farmers.	—	—	931,930.60	931,930.60
3	Irrigation and land improvement.	—	—	—	—
4	Experimental farms, stations and laboratories.	46,621.20	1,481,575.82	3,185,882.15	4,667,457.97
5	Nurseries.	—	—	—	—
6	Forestry.	—	—	—	—
7	Orchards.	—	—	160,741.37	160,741.37
8	Disease control and preventive measures.	133,770.00	4,303,259.50	1,828,278.72	6,131,538.22
9	Administrative and miscellaneous.	—	—	1,026,541.46	1,026,541.46
10	Construction.	—	—	6,548,409.48	6,548,409.48
	Total	194,073.20 Rs. 1,188.00	6,175,018.70	14,648,338.02	20,823,356.72

Note: Of the 194,073.20 Dollars, 9,200 have been converted at the rate of 1 Dollar. = 20.25 Afghanis. 184,873.20 have been converted at the rate of Dollar. = 32.35 Afghanis. The Rupees have been converted at a rate of Rupee = 6.7935 Afghanis.

Performance During the First Six Months of the Fourth Year of the Plan

2 *Assistancc and Guidance to Farmers*

21 Improved methods: The Extension Department.

211 Administration: Eight graduates from the School of Agriculture were employed as agricultural technicians in the Extension Department. Another three graduates from she School of Agriculture were employed in the administrative staff of the Department. The establishment of an Extension Organization in Qataghan Province was started, in particular with the purpose of advising farmers in the cultivation of sugarbeet and cotton.

212 Guidance to farmers: In the surroundings of Kabul the Extension Department undertook the distribution of chicken, instructions in improved methods of chemicals against plant diseases and instructions in irrigation and in the use of chemical fertilizers.

A Mission from the Extension Department surveyed the plantinng of seedlings, animal breeding, milk production and cultivation of nebred wheat in the Logar Valley. It was in particular reported by the Mission that cultivation of nebred wheat had given satisfactory results.

A tape recorder to be used in instruction work was purchased.

A number of pamphles, illustrated magazines, cards and calendars dealing with agriculture were distributed to farmers in various parts of the country.

The Department established the, following publicity activities:

i The publication of an agricultural magazine in a simplified language.

ii. The publication of pamphlets.

iii. An illustrated calendar for the year of 1339 (1960/61)

iv. A weekly agricultural programme on the Radio.

v. Research work was established together with a programme for disseminating the results.

vi. Three kinds of rewards were introduced to encourage the technical personnel, the farmers and the horticulturists to better performances.

Plans were prepared for agricultural extension departments in Kabul, Qataghan and Nangarhar Provinces.

22 Improved tools: A centre for studying agricultural equipment was planned in Badam Bagh. The designs for the building were completed.

Out of the 200 sets of simple animal drawn agricultural implements, a few units of ploughs were taken in use on an experimental basis. A few units were sent to Nangarhar and Qandahar Provinces to be used by the farmess. In addition the Directorate of Extension, Qataghan was instructed to provide for animal drawn implements. Seven tractors including implements were given to the farmers in Qataghan Province as a part of a programme for encouraging mechanisation in agriculture.

A diesel engined water wheel was set up at Puli Charkhi to be used as an experiment.

A mechanical engineer was assigned to the Ministry by the ICA.

23 Improved seeds: Personnel from the Ministry assisted in cooperation with the Cotton Company in providing for improved cotton seeds and utilization of better methods of sorting the seeds in the areas of Shiberghan, Qataghan and Mazar-i-Sharif.

27 Training of persnnnel:

271 A three months extension course was opened. Nine Afghan teachers were requested to train agricultural extension perohnel in Qataghan Province.

272 Preparations were made to send a number of students abroad for agricultural extension training.

273 41 Graduates from 6th class commenced participation in the silk worm course.

3 *Irrigation and Land Improvement*

31 The Ajmir Canal: 40% of the Ajmir canal with 25 tunnels was completed. 2,000 bags of cement and 10 units of doors made in Jangalak were sent to the Ajmir canal.

32 The Archi Canal: The survey of the canal was completed. The designs for the construction were worked out and sumitted to UN experts for their consideration. Materials such as stones, 4 trucks, 4,000 bags of cement and other material were sent to the Archi Canal.

37 Training and Recruitment: It was decided to send two persons abroad on scholarship to study irrigation. Courses were arranged for competition for the scholarship. Two technicians, graduates from the School of Agriculture were employed as assistants to the FAO irrigation expert to assist in preparing irrigation projects.

4 *Laboratories and Experimental Farms*

41 Experimental Farms.

411 The Ortabloqui Experimental Farm of 100 hectares (500 jiribs) continued its activities. The construction of additional buildings to the farm was started. The work of levelling the land was commenced. Experiments with cotton and wheat were carried out. Negotiations were taken up on obtaining the assistance of a foreign expert for the farm.

412 Negotiations were carried out on purchasing 60 hectares of land (300 jiribs) for the establishment of an experimental farm in Mazar-i-Sharif.

413 A Russian expert was assigned to the Darulaman Experimental Farm for two months. This farm is designed to be a nursery for Japanese mulberry trees.

415 An experimental farm for the cultivation of sugarcane was established in Abdul Khel in Nangarhar. A quantity of sugarcane was imported from India to be planted on the farm. Negotiations were taken up on the employment of a German sugar beet expert.

416 40 tons of nebred wheat which has proved rust resistant and of high yield were imported with the assistance of U.S.A. Government and distributed to the farmers in Logar, Maidan, Wardak and Kohdaman in Kabul Province. 10,000 tons of wheat were imported from the USSR and distributed in the north of the country.

417 66 varieites of local and foreign wheat were tried out for yield and rust resistance in Kabul. American potatoes and two varieties of local potatoes were tried experimentally. Various fruit seeds were collected in the surrondings of Kabul and planted in the nursery of the Ministry. The agricultural departments in the provinces undertook cultivation of castor bean plants with satisfactory results. Sunflowers for oil production were planted at the Qunduz Experimental Farm. Three varieties of tobacco imported from China were sent to the provinces for planting. The construction of a greenhouse was completed with the assistance of ICA.

43 Animal Breeding centres:

431 123 Merino sheep were sent to the breeding centre in Qandahar. The construction of washing tanks and stables for the sheep on the centre was continued.

45 Laboratories:

451 A part of the equipment for the Laboratory for Agricultural Chemistry was purchased from France. Another part was given by FAO. 60 items of equipment for the laboratory were received from the UN.

454 Experiments in the use of chemical fertilizers were undertaken with 300 kilos.

47 Training and recruitment:

472 An agricultural chemist was employed in the Laboratory for Agricultural Chemistry.

5 *Nurseries*

52 The following seedlings from the nursery of the Ministry were planted in Tangagharu and Puli Charkhi:

Acacia	3,920	seedlings
Judas tree	3,800	"
Mulberry	2,648	"
Cherry	570	"
Almond	350	"
Pine	380	"
Mountain vines	200	"
Poplars	3,000	"

532 Silk worm stations:

5321 The Darulaman Station: The construction of the buildings for the station, which is already in operation, was contracted to be completed in one year.

5322 The Abdul Khel Station in Nangarhar Province: 300,000 Afghanis were transferred for the construction of the buildings for the station. The construction work and the installation of equipment was started. The preparation of the land and planting of Japanese mulberry seedlings were commenced.

Five sets of sericultural equipment were sent to Nangarhar Province where these will be copied so as to supply the Abdul Khel Station with sufficient equipment.

5323 The silkworm station in Herat: The building was completed and the equipment installed. The station started its operations.

5329 125,000 Afghanis were transferred to Qataghan for the purchase of mulberry trees.

35,250 grafted mulberry seedlings were sent from Qataghan Province to Nangarhar Province to be planted on 6 hectares (30 jiribs) of land; 16,100 grafted Japanese mulberry trees were distributed free of c' arge to the farmers. 1,300 grafted Japanese mulberry seedlings were sent to Qandahar and Herat Provinces and 5,000 to Karize-mir.

The following quantities of silkworm eggs were collected.

1 eggs for commercial use: 8,841 tins equal to 12,490 kilos.
2 eggs for local breeding 505 "

The total value of the eggs was 549,585 Afghanis

The following quantities of eggs were sent to the provinces for distribution in order to improve the Silk worm cultivation.

a) To Herat Province	: 1,310	tins
b) To Nangarhar Province	: 310	tins
c) To Badakshan Province	: 800	tins

Brochures and catalogues on equipment for the extraction of silk and on weaving plants received from abroad were sent to the Ministry of Mines and Industries for selection of the most suitable equipment.

6 *Forestry*

61 The Ministry made 10 persons available to join a group of 180 persons to take care of the maintenance of the Pestalep forest and the surveying of forests.

62 The wood cutting machinery planned for could not be purchased due to lack of funds.

63 Preparations were made for surveying the Mandahir forest in order to determine the prevailing diseases.

64 Cadastral surveys were carried out to determine the contour lines in the Tangegharu and Puli Charkhi hill. Following a plan based on the survey, 2,500

wells were made and 1,800 seedlings were planted in the area.

7 *Orchards*

71 The work on the water reservoir of the Bagh Bala garden was continued .

72 Grafted lemon and orange seedlings from sub-tropical areas were imported from India and planted in sub-tropical areas in Paktia and Nangarhar provinces on an experimental basis.

73 Gardening courses were opened in Kabul and Nangarhar. 27 students completed the courses in Kabul and were afterwards engaged in grafting fruit trees and other gardening tasks. 30 students participated in the course in Nangarhar.

8 *Disease Control and Preventive Measures:*

81 Plant diseases and insects:

811 200 tons of anti - locust chemicals were purchased from the USSR .

821 Two experts on wheat rust, one from the UAR and one from India were assigned to the Ministry.

822 The planning and design for a plant disease laboratory in Kabul were completed. The Project will be carried out by the technical staff of the Ministry with the assistance of an FAO expert. The purchase of equipment for the laboratory was contracted with a Polish company.

A course in spraying of vines for technicians from the the Ministry was conducted by an FAO expert. After completion of the course the participants undertook spraying of 34,724 vines and vine seedlings in Karezemir and and 37,000 vine seedlings in Kara Bagh, Kalakan and Deh Yaliya.

823 The preparatory work for the establishment of the Herat Laboratory was continued. The surveys to determine the prevailing plant diseases in Qataghan Province were continued. 51,190 vines were sprayed against rust in Herat.

824 Two experts from the USSR were assigned to the Ministry for two months to design and start two quarantine stations, one in Qizil Qala and one in Clifft. The two experts will also train the staff of the stations.

83 Animal diseases:

831 The Veterinary School has 104 students in three classes.

832 312,000 capsules against liver worm were obtained from the Agricultural Bank. Another 5,000,000 capsules against liver worm were ordered from abroad through the Agricultural Bank.

The following animals were given veterinary treatment:

1	against cow diseases	197,394	animals
2	entrax	273,576	,,
3	black leg	78,968	,,
4	black disease	80	,,
5	tabaq	14,773	,,
6	chicken disease	13,238	,,

156,000 liver capsules and 40,000 casing capsules were distributed to animal breeders.

87 The three months courses in plant protection could not be started because of personnel. But plant protection experts gave lectures on the subject to the students of the extension courses. Experiments on wheat rust were continued in the green house of the Ministry and on the experimental farms. Wheat Nos: 103,68,69 proved to be resistant against wheat rust. Quantities of this variety were sent to the farms in Gozarga, Gulbagh and Aliabad for multiplication.

10 *Buildings*

101 Two animal stables were completed in Abdul Khel.

102 The Veterinary Laboratory was established in existing buildings. The buildings were repaired.

103 The building of a veterniary laboratory in Herat was started.

104 The construction of stables for sheep and the washing tanks for sheep was continued at the animal breeding centre in Qandahar.

105 The design for a veterinary laboratory in Mazar-i-Sharif was sent to this town together with the transfer of necessary funds.

Expenditures During the First Six Months of the Fourth Year of the Plan

Code No:	Name of Project	in Foreign exchange (Dollars)	Equivalent in Afghanis	in Afghanis	Total in Afghanis
1	Raising the standard of proficiency.	—	—	—	—
2	Assistance and guidance to farmers.	—	—	2,134,360.00	2,134,360.00
3	Irrigation and land improvement.	—	—	10,258,342.87	10,258,342.87
4	Experimental farms, stations and laboratories.	4,041.30	130,736.05	2,653,590.85	2,831,881.40
		Rs. 7,000.00	47,554.50		
5	Nurseries.	—	—	—	—
6	Forestry.	—	—	314,278.00	314,278.00
7	Orchards.	—	—	818,148.00	818,148.00
8	Disease control and preventive measures.	47,205.00	1,527,081.75	437,116.05	1,964,197.80
9	Administrative and miscellaneous.	—	—	69,396.00	69,396.00
10	Construction.	—	—	358,785.00	358,785.00
	Total	51,246.30	1,705,372.30	17,044,016.77	18,749,389.07
		Rs. 7,000.00			

Note: One Indian Rupee is equal to 6.7935 Afghanis.
One U. S. Dollar is equal to 32.35 Afghanis.

Objectives for the Fifth Year of the Plan

1 *Raising the Standard of Proficiency*

11 The Institute of Provincial Agricultural Education: The target of this institute will be to train technical personnel for the provinces in various fields of agriculture. During the fifth year of the Plan the construction of the institute and the supply of equipment will be undertaken. Students will be enrolled.

12 Kabul Veterinary School: The first students will graduate during the fifth year of the Plan and will take up practical work as veterinarians.

2 *Guidance to Farmers*

21 Extension work: The work in guiding farmers in various fields of agriculture and animal breeding will be continued.

An audio-visual aid unit will be used during the fifth year for distribution of magazines, and for showing films, giving radio lectures etc. on guidance and help to the farmers.

212 Extension work in Mazar-i-Sharif and in Qataghan: The particular purpose of the extension work will be to introduce better use of machinery and implements, chemical fertilisers and improved seeds with special emphasis on the cultivation of sugar beet and cotton.

3 *Irrigation and Land Improvement*

31 Land and water resource surveys: Studies of the present irrigation system, river surveys, topographical surveys, analysing of land and soil and studies of the use of land will be carried out by the help of the UN Special Fund.

311 The Ajmir canal: The canal will be repaired and strengthened in order to avoid floods, waste of water and cracks in the walls. The water supply will be increased so as to irrigate 12,000 hectares (60,000 jiribs) of land.

32 The Archi canal: A diversion dam will be built and measures will be taken to reinforce the canal. The Khajaghar syphon will be improved.

34 The irrigation of the Archi desert: The Ministry will bring 2,000 hectares (10,000 jiribs) of the Archi desert under irrigation to make it suitable for growing of wheat, cotton and sugar beet. Seeds will be selected and distributed to the farmers.

35 Improvement of the irrigation of Kabul and Nangarhar provinces: With the help of the ICA the Ministry will take measures to ensure full application of the technical irrigation systems in Kabul and Nangarhar and will commence to improve the canals.

4 *Experimental Centres, Farms and Laboratories.*

41 Experimental farms: New plots will be purchased for experimental farms.

411 The Ortabloqui farm: Breeding of animals and planting of cereals, seeds and industrial plants will be undertaken. Extension personnel from the province and its surroundings will be trained. The project will be carried out with the help of the Special Fund of the UN and will be started by the end of the fifth year.

412 The Mazar-i-Sharif Experimenal Farm: 69 hectares (345 jiribs) of land will be purchased.

418 The Herat Experimental Farm: An experimental farm will be established in the Herat Province. Pestachio, sugarbeet and Japanese and other mulberry trees will be taken under experiment in the farms.

419 An experimental farm in Nangarhar Porovince: Land will be purchased and prepared for experimental purposes. Improvement and distribution of sugarcane seeds will be undertaken. Animal breeding will be undertaken. In the first stage the irrigation system will be repaired and pastures will be grown.

43 Animal breeding centres.

432 The cattle breeding farm of Zanabad (Bagrami): Measures will be taken to increase the milk production.

433 A buffalo breeding centre in Nangarhar: Measures will be taken to increase the number of improved buffalos in Nangarhar. Veterinary services and quarantine stations will be used. Campaigns will be carried out against contagious diseases.

434 Poultry, Bini Hissar: The breeding of poultry will be improved through distribution of 10,000 eggs and 5,000 small chickens of improved breeds.

45 Laboratories:

451 Laboratories for agricultural chemistry: The chemical agricultural laboratories in Kabul and Qataghan will be continued.

4521 The Plant Protection Laboratory in Kabul: Equipment will be purchased and construction of the building will be started and completed.

4522 & 4523 The plant protection laboratories in Qataghan and Herat will be establihed for the purpose of surveying plant diseases and undertaking campaigns against them. The construction of the laboratories will be completed during the fifth year of the Plan.

453 Animal laboratories:

4531 The laboratories in Mazar-i-Sharif and Herat

453 The laboratory will undertake diagnosing campaigns and providing information to the centres

5 *Nurseries*

51 Multiplication of improved seeds:

511 Wheat: 550 kilos of Chile wheat were ordered. It will be planted in the nurseries. If experiments give positive results the seeds will be multiplied in the farms belonging to the Ministry in the Alchin desert.

512 Sugar cane seed: In order to increase the sugar content in the sugar cane, varieties of sugarcane will be multiplied.

513 Vegetable: In order to obtain improved seeds, the multiplication of seeds will be continued with the assistance of the Wyoming University Team.

514 Cotton seeds: Different varieties of cotton seeds will be planted. The succesful ones will be multiplied and distributed to the farms.

515 Sugar beet: The multiplication will be continued.

53 Other nurseries

531 Stations for breeding of fish: For the purpose of increasing fishing possibilities in Afghanistan, a station for fish breeding will be established in Paghman. One Japanese expert will be employed.

532 Silkworm stations.

5322 The Abdul Khel Station: The building of the station will be completed. Another 6 hectares (30 jiribs) of land will be planted with mulberry trees.

5323 The Herat Station: The activities will be expanded and a piece of land will be purchased for planting of local and grafted Japanese mulberry seedlings. The station will also be used for demonstration and instructions for local silkworm breeders.

5324. The Badakshan Station: A station will be established in Faizabad with subsidiary branches in Jurm Barak and Kishm. The stations will undertake guidance of farmers. 30,000 Japanese mulberry seedling will be purchased, and planted in Faizabad.

5325. The Panshir Station: A station will be started because the climate is favourable for silkworm breeding. The growing of Japanese mulberry trees will be increased.

5326. Kabul Station: It is envisaged to expand this station through increasing the number of technical personnel, buildings and equipment.

533 Beekeeping stations.

5331 The central beekeeping station in Gulbagh: Technical personnel will be lent out from this station to other provinces during various seasons.

5332 A station in Jalrez: A station for bee breeding will be established in Jalrez in Nangarhar. The climate is favourable for beekeeping.

6 *Forestry*

61 Production surveys of the Mandihir forest in Paktia: A part of the survey will be completed.

62 The agricultural working unit: A group of persons will be made available by the Ministry of Defence and trained as a working unit for planting of trees and seedlings. During the fifth year seedlings will be planted in the main roads between Kabul and Torkham, Kabul and Qizil Qala and Kabul and Paghman by this unit.

7 *Orchards*

71 The Badam Bagh Garden: All varieties of local and foreign plants will be selected and grown on this farm. The best varieties will be distributed to farmers.

8 *Campaigns against Animal and Plant Diseases*

81 Plant protection:

811 The redworm project in Nangarhar: The Ministry of Agriculture will undertake a biological survey of the redworm disease in Nangarhar and endeavour to find ways to eradicate the disease and to prevent its spreading to other provinces.

82 Domestic animal protection: 1,500,000 domestic aniamals will be vaccinated against various diseases.

8241 Quarantine projects: Two quarantine compounds are being constructed at Qisil Qala and Clift. The necessary quantity of equipment and medicines will be ordered.

9 *Miscellaneous*

The Bagh Bala garden will be renovated and the building in the garden will be repaired.

HELMAND VALLEY AUTHORITY

Highlights of Progress

The Purpose

The Helmand Valley Project is a multipurpose project aiming at the economic, social and cultural development of an entire area in the south-west of Afghanistan. The project is based on utilising the water - flow of the Helmand, Arghandab and Tarnak rivers for irrigation of new land and production of electricity. The project includes a settlement programme, road building, an education and health programme and creation of new industries.

Surveys

Agricultural surveys, including soil surveys, irrigation surveys and, underground water surveys in the areas of Tarnak, Darweshan, Southern Arghandab, Shamalan, Seraj, Boghra and Helmand were completed. Cadastral surveys with the purpose of measuring the land, determining boundaries between properties and classification for taxation, were carried out on approximately 11,000 hectares (54,493 jiribs) in the areas of Shamalan, Girishk, Darweshan, Arghandab and Tarnak. Hydrological surveys were carried out at 25 different stations in the irrigation systems.

Roads and Bridges

The roads between Chah-i-Anjir, Marja, Lashkargah, Nad-i-Ali, Shamalan and Girishk were levelled and repaired. In addition the road between Chah-i-Anjir and Herat (500 km) was repaired. The Jija and Shindand bridges were completed. The Hashimi and Pashtun Pul bridges are still under construction.

Power Plants

The Girishk Hydro- Electric Power Plant with two 1,500 KW generators was completed and put to operation. The plant will be used to full capacity when the repair work on the Boghra canal supplying water to the power plant is completed. 90% of the repair work had been carried out by the middle of the fourth year of the Plan. The Qandahar Diesel Electric Power Plant with two 500 KW generators was completed and put to use.

Construction

The construction of canals for irrigation including subsidiary canals, laterals, concrete constructions for water control etc. was completed in the Tarnak, Arghandab, Shamalan, Draweshan and Hazarjuft areas.

Development

Programmes for agricultural extension, primary education and health were carried out. A large number of buildings such as administrative buildings, banks, hospitals, schools etc. were constructed.

Performance During the Third Year of the Plan

2 Surveys of the Helmand Valley:

21 Soil and irrigation surveys: The following soil surveys were undertaken by the Morrison Knudsen Company:

1. The Tarnak Area	(221,310	jiribs)	44,262	hectares	completed
2. The Darweshan area	(147,820	,,)	29,564	,,	completed
3. Central Arghandab	(264,440	,,)	52,888	,,	90%completed
4. Northern Arghandab	(135,350	,,)	27,070	,,	90%completed
5. The Shamalan area	(132,000	,,)	26,400	,,	completed

The followinp underground water and drainage surveys were undertaken:

1. Tarnak area : Completed.
2. Northern Arghandab : 75% completed.
3. Shamalan : Completed.

The irrigation survey of the Arghandab area was completed.

26 Cadastral surveys: The following land measurements, including the determination of the boundaries between properties were undertaken:

1.	Katuzai village	763	hectares	(3,815 jiribs)
2.	Borshtanzai	1288	,,	(6,440 ,,)
3.	Sangeen	20	,,	(98 ,,)
4.	Khapj	2244	,,	(11,219 ,,)
5.	Girishk district	120	,,	(600 ,,)
6.	Garmsir area	1337	,,	(6,683 ,,)
7.	Nahr-i-Seraj	1844	,,	(9,221 ,,)
8.	Shamalan area	19	,,	(93 ,,)

27 Hydrologic Surveys: Hydrologic surveys were undertaken by the Hydrology Department of the Helmand Valley Authority at the following stations:

Dehdaood, Tirin, the reservoir of the Kajaki dam, the reservoir of the Arghandab dam, Kajaki Lower Station, Seraj canal, Boghra canal (near Girishk), Darweshan, Char Borjak, Arghandab (above the dam), Arghandab(below the dam), Arghestan, Qala, Bose, Khash Road, Farah, Zahir Shahi. Wiala, Qandahar, Tarnak canal and some other stations in the Boghra and Shamalan areas. Compilation of meteorological data was undertaken at the following stations: Qala Kang,Chakhansur, Lashkargah and Panjab (Dizangi).

3 *Road*

35 Repairwork on the roads between Chah-i-Anjir and Marja, Chah-i-Anjir and Herat and between Shamalan and Lashkargah in a length of 850 km. was carried out by the Afghan Construction Unit. The inter-project roads were repaired.

4 *Bridges*

49 The Hashimi Bridge: The preparatory work was completed but the construction had to be postponed due to lack of personnel.

5 *Electric Power Plants.*

51 The Girishk Hydro Electric Power Plant with two 1,500 kw generators was completed. The plant, however, cannot be used to full capacity before the repair work on the Boghra canal has been finished. The repair work on the wall of the canal from Boghra to the plant, in all 4 km .and the digging of a drainage canal to carry water to the plant was completed.

53 The Qandahar Diesel Electric Power Plant: The construction of the plant, including the installation of two diesel generators, and the drawing of power lines for the city of Qandahar was completed. The power plant will serve as a substation to the Arghandab Hydro Electric Power Plant when completed.

The expenditure in foreign exchange was born by the ICA and in Afghnis by the Helmand Valley Authority.

6 *Irrigation and Drainage*

61 The Northern Arghandab area: The building of water control constructions at Lahor, Monara, Nagahan, Sanzari and Tangi Hissar were completed.

63 The Tarnak area: The work on the construction of the canal, drainage and irrigation systems, roads and bridges was almost completed. The following activities were undertaken:

1 Digging of 11 km. of the northern part of the Tarnak canal with 15 concrete steel structures for controlling the waterflow.

2. Digging of 9 main subsidiary canals with 8 reinforced concrete structures for controlling the flow of water.

3. Digging 10 km of deep drainage.

4. Digging of a one km outlet to the river for water control.

5. Construction of 18 concrete irrigation outlets along the main subsidiary canal.

6. Completion of 17 concrete constructions for carrying water under the roads and rivers.

7. Construction of roads along the canals.

8. Making designs for the improvement of irrigation and drainage in the area.

64 The Darweshan area: The work of improving the main irrigation system and the drainage of the area was completed. The following activities were carried out:

1. Digging of the main canal, 50.6 km. long with a capacity of 1,000 cubic feet per second.

2. Completion of two concrete steel outlets for water control.

3. Construction of 31 concrete outlets on the main canal to subsidiary streams.

4. Construction of 3 laterals.

5. Completion of 5 concrete structures for carrying water under the main canal.

6. Digging of 100 km. subsidiary canals with 20 concrete constructions.

7. Digging of 3.5 km. laterals.

8. Digging of 24 km. of deep drainage including 100 concrete constructions for water outlets.

9. Construction of roads along the canal and river.

7 *Levelling and Improvement of Land*

72 The Shamalan area: The following work was undertaken:

1. Soil and underground water surveys.
2. Levelling of 1,545 hectares (7,725 jiribs).
3. Levelling of 566 hectares (2,831 jiribs).
4. Construction of 110 km. of ditches.
5. Construction of 29 km. of subsidiary canals.
6 Digging 105 km. of drainage.
7 Completion of 58 concrete structures along rivers and streams for carrying the water and controlling the waterflow.
8 Construction of 300 concrete outlets for irrigation and laying of 5 concrete pipelines of 315 meters, and steel pipes for a length of 72 meters.
9 Digging of two deep wells in Lashkargah.

8 *Maintenance*

Maintenance and repair work was undertaken in the following places:

1 The Kajaki dam.
2 The Arghandab dam.
3 The Boghra diversion dam.
4 The Boghra canal system including 104 km. of laterals with a capacity of 2,800 cubic feet per second.
5 The Shamalan canal, 66 km. long with a capacity of 750 cubic feet per second.
6 The Zahir Shahi canal, 43 km. long with a capacity of 1,500 cubic feet per second.
7 The Darweshan diversion dam.
8 The Darweshan canal, 50.6 km. long with a capacity of 100 cubic feet per second.
9 The Hazarjoft diversion dam.
10 Drainage systems in the Marja area 100 km. in the Shamalan area 88 km. in the Nad-i- Ali area 180 km. and in the Darweshan area 71 km.
11 Five control systems in the northern Arghandab area.

9 *Settlement and Agricultural Development*

91 Settlement: Land was distributed to 47 families during the 3rd year. New villages were constructed for the settlers. 20 buildings were completed.

92 Extension work.

921 Experimental farms: Trial cultivation with cereals, sugar beet, oil plants and fruits in order to determine their suitability under local climatic conditions was undertaken. Statistics from previous trials and experiments were submitted to the Wyoming Uuiversity Team for analysis. Animal manure was used on swamps and marsh land as an experiment.

922 Guidance to farmers: The extension work was continued. Fifteen persons trained in extension work were posted in various villages to give instruction to farmers and handle publicity. Pedigreed chickens were distributed to the farmers to help them to improve the local breeds. 143 small gardens were established in the Marja area. Cotton plants, vegetables, fruit and fruitless seeds not previously grown in the areas were planted.

Guidance in modern house building was given and received with much interest. 50 houses were built in Marja.

The following seedlings were planted in the area with the assistance of the H. V. A. Staff.

Apricot	: 7,882	seedlings	: Pomegranate	: 1,331	seedlings
Fig	: 4,485	"	: Apple	: 1,972	"
Plum	: 573	"	: Mulberry	: 19,894	"
Grapes	: 33,094	"	: Salsify	: 18,023	"
Shisham	: 12,730	"	: Pine	: 37,142	"
Acacia	: 565	"	: Sugar cane	: 157,390	"
Sorb	: 2,566	"	: Cucumber	: 2,497	"

924 Forestry and irrigation: Seedlings were distributed to the various nurseries for planting and later distrbution. The nurseries were extended as follows: Girishk nursery by 1.4 hectares (7 jiribs), Darweshan nursery 8 hectares (40 jiribs), Nad-i-Ali nursery 37 hectares (187 jiribs), Marja 49 hectares (243 jiribs). 5960 pounds of various seeds were planted in the nursery. 12129 meters of drainage were dug in Nad-i-Ali and 6000 meters of irrigation ditches were dug in the Darweshan area.

925 Animal breeding centres: Both local and imported cows were inseminated from Afghan bulls. On the breeding farms were 80 cows, 89 sheep, 170 chicken, 280 horses, 6 donkeys and 6 ducks. 51 calves of local and foreign cows, 72 lambs from local and Columbia sheep and 122 colts from local and imported horses were born.

923 Public health and sanitation: The work consisted of:

a. The development of medical facilities at Lashkargah hospital, the Girishk hospital and the Marja and Nad-i-Ali clinics. 61,393 persons were treated.

b. Carrying out vaccinations and inoculations against contagious diseases such as malaria in the areas of Girishk, Nad-i-Ali, Lashkargah, Marja and Darweshan. 23,630 persons were vaccinated against smallpox. 146 persons were in oculated against typhus and cholera. DDT powder against typhus and cholera was sprayed on 31,600 persons, 82,366 pieces of cloth, in 3,562 homes and 32 schools.

c. Mother and child protection programmes were carried out.

01 *Buildings and Construction*

The building department of the H.V.A- is responsible for the construction and maintenance of buildings. The following activities were performd by this department:

011 The construction of a mosque was 94% completed.

012 The construction of the new HVA headquarters at Lashkargah was 84% completed.

013 The construction of the Lashkargah Bank was 99% completed.

014 The construction of the new Lashkargah hospital with 100 rooms was 60% completed.

015 The construction of the new Lashkargah school was started and 3.5% of the work was carried out.

017 The construction of 35 houses for HVA employees of 4,3 and 2 rooms with bath and kitchen and 8 barracks-type houses of 128 rooms in all was 99% completed.

018 The construction of the Nad-i-Ali hospital with 27 rooms was 70% completed.

019 The construction of the Nad-i-Ali School was completed.

0101 The construction of the Khalj School with 11 class-rooms was completed.

0102 The Nad-i-Ali warehouse, 30 by 51m and 7.5 m in height was completed .

0103 The construction of a dairy farm in Lashargah was 90% completed.

Actual Expenditures During the Third Year of the Plan

Code No.		Name of Project	in Foreign currency (dollar)	Equivalent in Afghanis	in Afghanis	Total in Afghanis
1		*Administrative*	—	—	3,929,282.79	3,929,282.79
2		*Surveys*				
	27	Hydrological	8,349.00	178,036.74	236,820.18	414,826.92
3		*Roads*				
	35	Repair of the Chah-Anjeer-Marja, Shamalan Lashkargah Girishk, Farah, Herat roads	13,018.77	276,128.11	141,695.99	417,824.10
4		*Bridges*				
	44	Dilaram	8,526.77	180,852.79	81,787.73	262,640.52
	45	Farah	7,496.88	159,008.82	71,909.60	230,918.42
	46	Jeja	78,838.55	1,672,165.65	541,763.66	2,213,929.31
	47	Shindand	90,545.67	1,920,473.66	602,019.38	2,522,493.04
	48	Pashtoon Pul	6,554.53	139,021.58	99,255.05	238,276.63
	49	Hashimi	45,642.05	968,067.88	2,093,966.42	3,062,034.30
5		*Power Plants*				
	51	Girishk Hydro- Power Plant	23,247.36	493,076.51	119,887.48	612,963.99
	53	Qandahar Diesel Power Plant	686,174.50	14,553,761.14	809,224.54	15,362,985.68
6		*Irrigations constructions (MK)*				
	61	North Arghandab	24,601.26	521,792.72	42,149.76	563,942.48
	611	Central Arghandab	3,399.69	72,107.42	—	72,107.42
	63	Tarnak	985,162.78	20,895,302.56	7,181,339.30	28,076,641.86
	68	Darweshan	112,390.54	2,383,803.35	595,057.33	2,978,860.68
	69	Sarband-Jeo-i-Hazar Joft	76,933.16	1,631,752.32	277,610.79	1,909,363.11
	610	Repair of the Boghra canal	189,259.44	4,014,192.72	1,098,705.50	5,112,898.22
7		*Land development*				
	72	Shamalan	588,034.43	12,472,210.66	6,386,959.06	18,859,169.32
	75	Other	160,894.76	3,412,577.86	1,687,436.22	5,100,014.08
8		*Operations and maintenance*				
	81	Equipment	—	—	2,302,543.75	2,302,543.75

82	Salary of workers	—	—	1,710,138.54	1,710,138.54
83	Other	—	—	905,813.25	905,813.25
9	*Settlement and agriculture*				
91	Settlement	—	—	4,767,185.00	4,767,185.00
92	Experimental farms	—	—	460,000.50	460,000.50
921	Agricultural guidance	—	—	2,486,717.50	2,486,717.50
922	Forestry and irrigation	—	—	2,317,416.97	2,317,416.97
93	Health and sanitation	—	—	727,963.69	727,963.69
923	Animal breeding	—	—	1,849,086.00	1,849,086.00
10	*Construction*				
101	Building of a mosque	—	—	883,374.72	883,374.72
102	Building for Helmand Valley Authority	—	—	1,120,861.32	1,120,861.32
103	Building of a bank	—	—	407,217.52	407,217.52
104	Building of a hospital at Lashkargah	—	—	1,990,875.33	1,990,875.33
105	Building of a school at Lashkargah	—	—	350,687.31	350,687.31
106	Construction of exhibition halls	—	—	34,592.76	34,592.76
107	Construction of staff quarters	—	—	322,008.08	322,008.08
108	Construction of the Nad-i-Ali Hospital building	—	—	947,672.68	947,672.68
109	Construction of the Nad-i-Ali School building	—	—	271,001.22	271,001.22
1010	Construction of the Khaldge School building	—	—	192,513.25	192,513.25
1011	Roads maintenance and repair	—	—	192,536.15	192,536.15
1012	Maintenance and rapairing of buildings	—	—	840,366.15	840,366.15
1013	Construction of a dairy building in Lashkargah	—	—	738,058.91	738,058.91
1014	Building for kitchens	—	—	177,196.41	677,196.41
	TOTAL	3,139,106.88	66,580,456.92	52,581,294.86	119,161,751.78

Note: One dollar = 21.21 Afghanis.

Performance During the First Six Months of the Fourth Year.

2 *Surveys*

26 Cadastral surveys: The following land was surveyed in Girishk

Nahri Sarkar village	: 3,047	hectares	(15,236 jiribs)
Babaji village	: 214	"	(1,068 jiribs)
Malgir village	: 11	"	(56 jiribs)
Total	3,272	"	(16,360 jiribs).

27 Hydrological surveys: The Hydrological surveys and the compilation of meteorological data were continued.

3 *Roads*

35 The repair work on the Chah-i-Anjir-Marja and Chah-i-Anjir-Herat roads was continued by the Afghan Construction Unit. The Unit also undertook the repair of the Power House, distribution of electric supply in Lashkargah, Marja and Girishk, repair of water systems etc. The following specific tasks were carried out by the Afghan Construction Unit:

1. The construction of 16 meter wide streets in the city of Lashkargah of a length of 2,450 meters was completed and the streets are now ready to be paved with asphalt or concrete.
2. Greenhouses of a total length of 1800 meters, 5 meters wide, were constructed in Lashkargarh.
3. Two parks were levelled.
4. A road from the southern end of Pul Hashimi, 1,700 meters long, towards Ghurgan passing between hills, including 18 small bridges on the road was 95% completed.

4 *Bridges*

49 The Hashimi Bridge: 298 meters long and 6 meters wide with 123 pillars, previously postponed due to lack of personnel, was commenced and 75% completed. A suspension bridge, 120 meters long and 1 meter wide near Chah-i-Anjir camp was completed. A concrete foot path 12 meters long and 60 centimeters wide was constructed in Shamalan.

5 *Electric Power Plants*

51 The Girishk Hydro Electric Power Plant: The repair work on the Boghra canal which shall supply water to the power plant was 90% completed. The power plant was operated using only a part of its capacity, the water being supplied from a temporary canal.

7 *Levelling and Improvement of Land*

72 The following activities were undertaken:

1. Area levelled: 412 hectares (2,062 jiribs).
2. Digging of 6.087 km. of subsidiary canals with a capacity of 100 cu.feet per second.
3. Digging of 20.033 km. of irrigation ditches.
4. Digging of 22.077 km. of drainage.
5. Digging of 5.412 km. of deep and large drainage ditches.
6. Construction of 20 units of concrete laterals and 25 units of concrete outlets.
7. Laying of 315.86 meters of concrete pipes.
8. Construction of new roads in the project areas.
9. Laying of concrete pavements. 68.62 cubic metres of concrete were used.

8. *Maintenance*

The maintenance work undertaken during the previous year was continued. In addition maintenance work was undertaken in the following places:

1. The deep drainage of about 100 km. in the Shamalan area, 180 km. in and Nad-i-Ali and Marja areas and 71 km. in the Darweshan area.
2. Five controlling stations in the Arghandab area.
3. Gravelling in the Kajaki dam and Arghandab dam and Boghra and Shamalan canals was done with the use of 3,509 cu.meter of gravel.
4. Filling of gorges and streams with sand and gravel.
5. Improvement of the gravelling of 52 km. of roads.
6. Improvement of land for agriculture and for planting of flowers on 3 hectares (15 jiribs).
7. Mud plastering of buildings on 7,215 sq. meters.
8. Providing for better soils on 7,215 sq. meters of agricultural land.
9. Cleaning the canals for mud: 6,444 cubic meter of mud were removed.
10. Cleaning and cutting sea weeds (wicker) from 400 sq. meters of canals.
11. Planting of 11,550 fruit and other tree seedlings.
12. Extension of electricity and erecting of poles on 1,120 meters.

9 *Agriculture and Settlement*

91 Settlement: Land was available for 1,200 families but only 18 settled families received land during these six months. The department of buildings constructed 7 shops, one bridge and 5 houses with 3 rooms each. 15 buildings were commenced in Darweshan, Nad-i-Ali Ainak and Gorgin.

92 Extension work:

921 Experimental farms: Trial cultivation was underaken with the following: 50 varieties of winter wheat, 15 varieties of spring wheat, 7 varieties of sugar beet, 22 varieties of barley, 7 varieties of spring grass and 24 varieties of alfalfa. Cultivation with soya beans, bedamjir and sunflower was also undertaken and the first results

appeared promising. Five varieties out of 11 varieties of soyabeans used gave satisfactory yields of 845 to 1,540 kilos per hectare. Seven varieties out of 15 varieties of corn tried proved to be satisfactory. The yield of these seven varieties varied from 3,500 kilos to 4,200 kilos per hectare. Seed of these seven varieties were distributed to farmers for cultivation. 100 pounds of water melon seeds were distributed to the settlers. Nitrogenous fertilizers were used on the marsh lands as an experiment.

922 Assistance and guidance to farmers: The following activities were carried out in Shamalan, Marja, Nad-i-Ali and Darweshan:

a. 916,048 fruit and other tree seedlings were planted in the above area.

b. guidance was given in breeding of American chickens, planting of vegetables, grafting and pruning .

c. campaigns against insects were carried out through spraying of chemicals.

924 Forestry and irrigation: The Forestry Department under HVA planted 2,500 pounds of seed of different plants in various nurseries in the area. The seedlings will be ready for distribution in the coming year. 482,745 one year old seedlings and 87,509 two year old seedlings were taken up and distributed. The irrigation of the Nad-i-Ali, Marja, Shamalan, Darweshan and Tarnak areas was started and help was given to the farmers in the area. Irrigation ditches were cleaned. 12,600 metres of new irrigation ditches were dug.

92 Animal breeding centres: 29 calves crossbred from Afghan and foreign animals were born. The use of suitable food resulted in satisfactory growth. Local poultry was crossed with foreign poultry such as New Hampshire and Rhode Island chickens and Peking ducks. The crossbred eggs were distributed for hatching.

93 Health and education: The following activities were undertaken:

1 Surveys and campaigns against malaria in 300 villages with 200,000 people. 7,546 chlorine tablets and 1,896 vitamin tablets were distributed.

2 Vaccination against smallpox was carried out by the HVA staff and the mobile units of the Ministry of Public Health. 10,630 persons were vaccinated.

3 Campaigns against typhoid: Due to shortage of DDT only a limited amount could be sprayed. The most densely populated places were covered. During the six months 33,777 persons, of cloth, 122,556 pieces 5,194 houses, 66 official departments, 4 baths, 129 mosques and 444 shops were sprayed.

9312 Maternity programme: 10,814 pounds of milk, 2918 pieces of soap and 47,025 vitamin tablets were distributed.

9313 Health publicity: 150 instruction films were shown. Posters were distributed.

9314 In the hospitals and health centres, health programmes such as demonstration of public facilities, improving of drinking water and modern housebuilding were shown to the people.

9315 Curative medicine: A medical depot was opened in Lashkargar. 2,740 indoor patients and 2,152 outdoor patients were treated.

232 Education: Lack of personnel and funds restricted the activities. Four village schools were opened with financing from the HVA budget. Finacial and other assistance was given to provide modern buildings and equipment for schools under the Girishk Education Department.

A literacy course for women was opened in Lashkargah with 25 students. Three persons went to USA under ICA scholarships.

Construction and Buildings

011 The building of various mosques was 25% completed.

012 On the new building for the HVA headquarters the concrete work of the first and second storeys was completed.

013 The building of Lashkargah Bank was almost completed.

014 The new Lashkargah Hospital was 70% completed .

015 The new school in Lashkargah with exception of of the auditorium and library, was 25% completed.

018 88% of the Nad-i-Ali Hospital building was completed.

019 A conference room was added to the Nad-i-Ali School.

0101 The Khela School building was completed. A conference room will be added.

0111 Two wooden buildings each 15.38 metres long, 9.24 metres wide and 3.70 metres high with 4 rooms, one bathroom, two laundries and one kitchen were completed.

Expenditures During the First Six Months of the Fourth Year of the Plan

Code No.	Name of Project	Foreign curnrency (Dollars)	Equivalent in Afghanis	In Afghanis	Total in Afghanis
1	*Administrative*	—	—	2,545,142.58	2,545,142.58
2	*Surveys*				
26	Cadastral	—	—	119,212.49	119,212.49
27	Hydrological	—	—	260,107.93	260.107.93
3	*Roads*				
4	*Bridges*				
49	Hashimi	124,168.72	4,016,858.09	2,777,397.97	6,794,256.06
5	*Power Plants*	—	—	—	—
6	*Irrigation construction*				
61	Central Arghandab (Zahir Shahi canal)	—	—	2,505,366.70	2,505,366.70
65	Boghra canal repair	457,225.90	14,791,257.86	4,027,854.70	18,819,112.56
7	*Land development*				
72	Shamalan	267,146.08	8,642,175.67	3,052,684.96	11,694,860.63
75	Other	113,679.31	3,677,525.68	1,737,387.68	5,414,913.36
8	*Operation and maintenace*	—	—	1,140,351.99	1,140,351.99
81	Equipment	—	—	833,146.15	833,146.15
82	Salary of workers	—	—	—	—
9	*Settlement and agriculture*				
91	Settlement	—	—	1,583,200.10	1,583,200.10
92	Experimental farms	—	—	265,358.30	265,358.30
921	Agricultural guidance	—	—	990,687.87	990,687.87
922	Forestry and irrigation	—	—	1,749,409.35	1,749,409.35
923	Animal breeding	—	—	605,687.76	605,687.76
93	Health and sanitation	—	—	679,741.00	679,741.00
01	*Construction*				
011	Building of mosques	—	—	266,749.51	266,749.51
012	Building for the Helmand Valley Authority	—	—	424,373.76	424,373.76

CodeNo:	Name of Project	in Foreign exchange (Dollars)	Equivalent in Afghanis	in Afghanis	Total in Afghanis
014	Building of a hospital at Lashkargah	—	—	1,594,186.21	1,594,186.21
015	Building of a school at Lashkargah	—	—	923,030.52	923,030.52
018	Nad-i-Ali Hospital	—	—	566.216.13	566,216·13
0111	Road maintenance	—	—	43,518.83	43,518.83
0131	Maintenance and repairing of buildings in Nad-i-Ali, Lashkargh and Marja	—	—	224,673.83	224,673.83
0161	Two wooden buildings	—	—	210,007.09	210,007.09
0171	Building for ICA staff	—	—	39,333.72	39,333.72
0811	House building in the eastern and western part of Bust road	—	—	631,477.24	631,477.24
0191	House buildings at electric Power plants.	—	—	107,084.72	107,084.72
	Total	962,220.01	31,127,817.30	29,903,389.09	61,031,206.39

Note One Dollar = 32.32 Afghanis.

Objectives for the Fifth Year of the Plan

2 *Surveys*

A number of projects are at present being surveyed. It is possible that, with the consent of the Government, those projects for which the surveys have completed will be started during the fifth year of the Plan. A certain amount of funds has, therefore, been requested for the Afghan Construction Unit without allocating it to any specific project as a safety measure in case one or more of the new projects are approved.

4 *Bridges*

401 The Lashkargah bridge: The former Lashkargah bridge, 85 metres long and 4 metres wide was built before the foundations of the new town of Lashkargah were laid. The bridge was used for bringing in materials and equipment. The bridge was later damaged during the floods of 1957. Since this bridge cannot meet the requirements of the new town of Lashkargah, it is now envisaged to construct a modern bridge to replace the old one.

6 *Irrigation Construction*

63 Tarnak Canal: Construction on the Tarnak canal was started by the Morrison Knudsen Co. Most of the work was completed. It is now envisaged to complete this canal through the Afghan Construction Unit.

64 The Seraj Canal: The lands irrigated by this canal are not receiving enough water. It is now proposed to undertake the necessary ameliorations. These would consist of:

a) repairing the canal.

b) enlarging the canal.

c) constructing a diversion dam so that new lands can be irrigated.

With the completion of this project the Lashkargah water problem would also be solved.

65 Although the construction of the Boghra canal has been completed, a part of this canal (15 km) which runs through lands containing a high percentage of gypsum has been damaged and is in need of further repairs. Similarly, some further repair work must be undertaken in the lower Boghra canal.

7 *Land Improvement*

It is envisaged to carry out land improvement measures such as levelling and constructing laterals, in the areas of Shamalan and Marja.

76 Drainage: Almost all the drainage work related to the Helmand Valley projects has been completed. However it is now proposed to dig some laterals in the Nad-i-Ali, Marja, Darweshan and Shamalan areas.

8 *Maintenance*

81 Road maintenance: As projects were being carried out in the Helmand Valley roads also were built over a total distance of approximately 400 km. To keep these roads in proper condition year round maintenance and repair works are necessary.

01 *Constructions*

The following construction work will be continued:

1) Procurement and installation of central heating equipment for the Helmand Valley Authority building in Kabul.

2) The Nad-i-Ali School

3) The Khalj School

4) The Nad-i-Ali Hospital

5) The Helmand Valley Authority Headquarters in Lashkargah

6) The new Lashkargah School

7) The Lashkargah Hospital

8) The Lashkargah Great Mosque.

0112 Construction of houses for ICA officials: A number of modern houses have been constructed over the years in Lashkargah for the ICA experts working on the Helmand Valley projects. According to an agreemeht between the Royal Government of Afghanistan and I.C.A. an additional team of experts is to arrive shortly. It has therefore been decided to buid more new houses and these will be ready by the end of the fifth year of the Plan.

0113 A store house will be built for the additional ICA team of experts .

0114 Construction of a mechanical workshop: Previously, vehicles belonging to the various departments of the Helmand Valley Authority used to be repaired haphazardly in various places. This, obviously presented some difficulties. To overcome these difficulties, it has been decided to build a complete mechanical workshop in Lashkargah.

0115 A new school will be built at Marja.

0116 Marble work factory: Since marble is to be found in large quantities in the Girishk area, the Helmand Valley Authority is interested in promoting the local marble industry. For this purpose, a number of machines and the necessary equipment for setting up a marble work factory were ordered from abroad.These are due to arrive shortly. Upon their arrival, the factory will be set up.

0117 Construction of houses for officials of the Government of Afghanistan: Since Lashkargah has

been chosen as the Headquarters of Helmand Valley Authority and as the administrative capital of the Girishk Province, it has been decided to build new houses for the officials of the Provincial government and the officials of the Helmand Valley Authority.

0118 Following the advice of experts, it has been decided to construct modern stables with adjacent housing and all animal sanitation facilities.

0119 Construction of experimental farms: It is envisaged to construct some housing on the experimental farms for the technical personnel and other employees.

11 *Construction (Agricultural)*

The Royal Government of Afghanistan has decided that in addition to other technical assistance, housing should be provided to the new settlers. It is there fore envisaged to construct a certain number of houses and parks in the Marja area.

111 Maintenance of the Lashkargah construction: Maintenance work for the buildings already constructed will be Continued.

12 Puchase of land: Private lands which are to be used for the purposes of Helmand Valley Authority will be purchased from their owners.

CHAPTER I

AGRICULTURE

Recent Developments and Immediate Prospects

Introduction

Economic development in Afghanistan depends primarily on the wise exploitation of the country's rich agricultural resources. For many years to come the great majority of the people will depend upon their crops and livestock for their livelihood. Without its substantial agricultural exports Afghanistan could not obtain the foreign exchange to pay for its imports of capital goods for development. Current industrial efforts are almost all based on agricultural products such as wool, cotton, sugar and skins.

There are many reasons why an appreciable increase in agricultural and livestock production and yields is becoming increasingly urgent and vital. The Afghan population is rising as a result of the various measures taken in the fields of preventive and curative medicine. The standard of living of the common man is no doubt rising also. The industrial development of the country is proceeding at a much faster rate than earlier and the new factories are demanding greater quantity and variety of agricultural raw materials. Generally the overall rising tempo of economic development since the adoption of the First Five Year plan requires continually increasing amounts of foreign exchange. In Afghanistan, foreign exchange earnings are derived almost entirely from the sale of agricultural and livestock products.

In order to increase production and yields to meet the demand on these four fronts, many basic probalems have to be resolved. Shortage of capital and lack of technical know-how must be tackled. In Afghanistan, agriculture requires relatively greater capital per unit of land than in many other countries. Since rainfall is inadequate, irrigation must be relied upon in most parts of the country. Thus dams and canals have to be built and maintained, entailing substantial and continuous expenditures. Most individual farmers and animal breeders lack the necessary working capital. Most of them use primitive tools and very few of them can afford to use modern equipment and machinery. Chemical fertilisers are very seldom used. Although organic materials are substituted, these are frequently not scientifically applied. Most farmers and livestock breeders would seldom abandon the primitive techniques and follow wasteful and old - fashioned practices even if modern equipment is at hand. A large proportion of crops and animals still suffer from pests and diseases. The population is not evenly distributed all over the country. Many parts are so thinly populated that there is a shortage of agricultral labour. The prevailing land tenure system in some parts of the country leaves room for improvement. In the following pages the efforts made to overcome some of these problems will be reviewed in detail.

In view of the vital role agriculture plays in the Afghan economy, the First Five - Year Plan lays great stress upon agricultural development. Substantial sums have been devoted to agriculture especially for building dams and irrigation projects. Large amounts have been channelled to farmers either directly through the Agricultural Bank or indirectly through such institutions as the Cotton Company at Kunduz and the Sugar Company at Baghlan. It is rightly felt that only thus can the standard of living

of the hard - working Afghan farmer and livestock-owner be raised. Both the methods and the organisation of the Ministry of Agriculture have recently been changed to meet more efficiently the current needs of the people and of the Plan. The emphasis is now on translating the results of scientific research into extension work among farmers. Besides offering demonstration and guidance, the Ministry is making seeds, insecticides, vaccination against animal diseases, artificial insemination, fertilisers and material needs available to the people, either free or at cost. The Ministry of Agriculture during the spring this year distributed on Farmers Day a large number of prizes to farmers who had shown special diligence and taken particular care in raising crops and animals.

The following pages will deal with each of the basic products in some detail. The method of treatment will follow the same pattern for each item, as far as is possible. First the position of the crop in the economy will be briefly reviewed, followed by a comparison of the current production figures with those of the previous year. Thirdly, the immediate prospects and the essential factors influencing them will be outlined. Whenever active and significant steps are being pursued, these are explained with a brief appraisal of their likely impact on the crop in question. In a few cases long-term prospects are also considered.

I-Wheat

1. Wheat is Afghanistan's main agriculural crop and the people's basic foodstuff. It can be grown at a higher altitude than any other Afghan crop (up to 13,000 feet) and thus it is eminently suited to mountainous terrain. The area under wheat in 1337 (1958/59) is estimated to have been about 2.2 million hectares. Wheat production in that year was approximately 2,250,000 metric tons.

2. The area under wheat in 1338 (1959/60) did not change substantially from that in 1337. However, the crop was much larger mainly because the chronic rust disease and the sunn pest were not particularly severe in comparison with the year 1337 and because weather conditions were quite favourable. Wheat prices fell about 10 per cent during 1338 from their level in 1337 (1958/59) mainly because the Government imported a total of 90,000 tons of wheat, (40,000 tons from the U.S.S.R & 50,000 tons from the U.S.A.). It was felt at the beginning of the year 1338 that scarcities would develop. Because of the vital importance of this grain, the Government did not wait until an actual scarcity took place but acted before the crop was harvested.

3. The 1339 (1960/61) crop prospects are reasonably good depending, of course, on weather conditions and the degree of severity of the rust disease. The Ministry of Agriculture has made intensive efforts to improve the seeds used by farmers. The Ministry imported improved varieties and distributed them to farmers, particularly in the Northern Provinces. About 10,000 tons were imported and were partially distributed in 1338. Forty tons of Nebred wheat seeds were imported from the U.S.A. for distribution in the Kabul Province.

4. Importation of wheat by the Government to supplement local production in order to satisfy local bread consumption during 1339 will depend on the progress of this year's crop and the degree of the damage that may be caused by the rust disease. Should it be felt that action is justified, the Government will not hesitate to import substantial quantities to avoid scarcities and a serious rise in prices. Afghanistan should be self-sufficient in wheat production and was so until very recent years. It is feasible that Afghanitan could become wheat-exporting country if potentialities are fully exploited. For this purpose it would be necessary to extend the area under wheat in regions where dry farming conditions prevail.

5. The Ministry of Agriculture is intensifying its program of developing rust-resisting wheat varieties. Its research work on rust and bunt problems and its intensive campaigns against these diseases are proceeding successfully. The loss due to bunt disease is estimated to be about 15% of the crop in the northern parts of the country particularly in Maimana. (Last year 20 tons of ceresan were imported for seed treatment against bunt, some of which was applied to the wheat crop). Farmers are being taught how to fight the bunt disease and are being provided with chemicals (ceresan) for treating seeds. The practice of early sowing of spring wheat is being encouraged. Researches are being conducted on winter and spring varieties of wheat. Foreign wheat strains are being tried out for higher yield and resistance to rust disease. It is fully realised, however, that no matter how successful any strain proves against rust, it will eventually have to be changed as this characteristic is usually lost within seven years. Research to develop newer varieties will proceed, therefore, systematically and on a continuous basis. Two years experimental work with Chilean wheat for instance has given very satisfactory results. The yield per jirib on experimental plots is 115 seers of wheat and 182 seers of straw. In view of this highly encouraging results, 5 tons of Chilean wheat were imported and sown in the Kabul area. This has given satisfactory yields. This year also the experiment is being continued.

II-Maize

6. Corn is used for human and animal consumption. It is the most important agricultural crop in the Southern Province (Paktia) and is also grown on a large area in the province of Nangarhar. The acreage of maize (corn) in 1337 (1958/59) is estimated to have been approximate-

ly 500,000 hectares and the crop about 700,000 metric tons. It can be grown up to an altiude of 8,000 feet or a little more and without irrigation.

7 It is estimated that both acreage and production were maintained at the same levels in 1338 (1959/60).

8 Since the Ministry of Agricultutre has not as yet found varieties that are outstandingly superior to the ones cultivated at present, it is expected that no significant change will take place in 1339 (1960/61). Row planting is being encouraged to increase yields. Research is proceeding to find suitable strains of hybrid corn that will not dry out and rot during winter storage under Afghan conditions. Chemical fertilisers are being used on demonstration plots in the Kabul Province.

9 All corn produced in Afghanistan is consumed locally. No exports or imports have been reported during the last few years for which figures are available.

III-Barley

10 The acreage of this winter crop is estimated to have been approximately 350,000 hectares, yielding about 380,000 tons. It is grown in different parts of Afghanistan but is mainly concentrated in the valleys west of Herat.

11 It is reported that no significant change took place in 1338. Since no effort has been made to influence prevailing cultivation practices, the situation in 1339 is not expected to be sigificantly different from that of 1338. Limited research is proceeding to discover suitable varieties that might increase yields. No barley exports have been reported during the last few years.

IV-Rice

12 Rice grows mainly in the Kataghan Province and in the Eastern Province. It is also produced in substantial quantities in Logar and Wardak in the Kabul Province. About 25 per cent of the annual national production is concentrated in the Eastern Province. Although this crop requires a great deal of water and labour, it yields the farmer a higher income and more nutrition per hectare than other crops. The yield per hectare is reported to be double that of India and of Pakistan.

13 The area under this important summer crop in 1337 (1958/59) is estimated to have been approximately 210,000 hectares, yielding about 320,000 tons. In 1338, approximately the same area was cultivated and about the same amount harvested.

14 Since no innovations are expected to be introduced to affect this crop, the acreage and production in 1339 is expected to depend almost entirely on weather conditions and water availability. It is expected that owing to a plentiful supply of water, the crop will be increased in 1339. However, experiments are being carried on with rice imported from Iran.

V-Potatoes

15 Although the area in 1338 is believed not to have changed from that in 1337, it is estimated that a slight increase of about 2 per cent in production was achieved owing to more favourable climatic conditions and better water supplies.

16 Limited research is being carried out by the Ministry of Agriculture to discover and popularise better and higher yielding varieties. However, there is no significant change expected during 1339. It is known that some exports have taken place in recent years.

VI-Sugarbeet

17 Sugarbeet is produced exclusively in the Northern part of Afghanistan (Kataghan Province). Acreage is estimated to have been about 4,000 hectares in 1337. The crop was approximately 35,000 metric tons.

18 There was a substantial increase in production in 1338 to 43,000 tons which is an increase of about 26 per cent over 1337. This substantial increase was mainly due to favourable weather conditions and more timely seed distribution and cultivation. Probably farmers have also been encouraged to grow more plants per hectare. Losses from parasites were not serious owing to better weeding practices and land rotation. Losses from cutworms and wire-worms were apparently reduced by dusting and spraying. Improved varieties of seeds have been introduced.

19 The production prospects for 1339 (1960/61) and thereafter are good because the Sugar Company in Baghlan is cooperating more closely with the Ministry of Agriculture to convince farmers of the advantages of using better seeds at the proper time

20 The use of better seeds is likely to increase the sugar content from its recent level of 15-16 per cent. For this purpose good seeds have been imported from Czechoslovakia and experiments have been carried out which show that they give higher yields and a higher percentage of sugar content. Better cultivation practices should rapidly increase the yield per hectare from its present low level of 10 tons of washed beets. There is a possibility that higher prices to farmers would encourage greater production. Premium rates for early delivery to the company would spread arrival of beets at the plant and thus lengthen the working season. However, production will depend ultimately on weather conditions and the availability of water. The improvements being introduced in the Ajmir Canal are likely to result in greater quantities and more reliable supplies of water. An intensive campaign is being carried out in the area to popularise the use of more suitable and more efficient implements in sugar beet cultivation. Using the sugar factory waste as fertiliser is being encouraged. The crop in 1339 is expected to be more than that of 1338 when about 43,000 metric

tons were produced. The ultimate aim is to increase beet consumption up to a maximum of 70,000 tons. The optimum is 55,000 tons per year which is the capacity of the original mill based on a working season of one hundred days.

21 The average annual production up to 1336 was approximately 5,000 metric tons of manufactured sugar. In 1336 approximately 38,000 metric tons of sugar and sugar preparations were imported. The value of these imports amounted to over Af 167 million. The average quantity of sugar imported annually between 1333 (1954/55) and 1335 (1956/57) amounted to nearly 12,000 metric tons valued at approximately Af 85.0 million. The acreage and production of sugar beet from 1330 (1951/52) to 1335 (1956/57) are given below. Production and acreage vary a great deal. The production is not entirely dependent on acreage.

Year		Acreage	Sugarbeet Production
Solar	Gregorian	(Hectares)	(Metric tons)
1330	1951/52	4,600	33,538
1331	1952/53	4,800	22,846
1332	1953/54	5,046	39,928
1333	1954/55	3,979	41,273
1334	1955/56	3,808	44,815
1335	1956/57	3,800	33,489
1336	1957/58	3,574	36,814
1337	1958/59	3,500	35,359
1338	1959/60	3,500	43,000

VII - Sugarcane

22 Sugarcane cultivation is confined to a limited area in the Eastern Province particularly around Jalalabad. The area under sugarcane in 1337 (1958/59) is estimated to have been 1,800 hectares and the crop about 45,000 metric tons yielding 25 tons per hectare. The area and the crop in 1338 (1959/60) did not change substantially from their levels in 1337 (1958/59). Future prospects depend on the success of the various steps that are being taken to improve sugarcane production.

23. Most of the sugarcane produced is used for making' 'ghur' which is unrefined brown sugar used as a substitute for refined sugar. This is manufactured by farmers on a cottage industry basis. The sugar factory at Jalalabad consumed only a small portion of the sugarcane produced, its total consumption during the working season varying from about 1,300 to 4,000 tons.

24. The sugar content of the local variety of sugarcane is 15 per cent of sugar by weight and the recovery of sugar is 6 to 8 per cent. This variety is susceptible to two diseases, the most severe being red rot which affects 40% of the cane. Research conducted to find better varieties resisting frost, red-rot disease, giving higher yields and showing a higher percentage of sugar content and therefore better sugar recovery, has show that out of ten varieties introduced from India 4 var eties (410,356, 543 and 527) show very good promise. B the introduction of the first two varieties the suga production per jirib will be at least doubled as thes cane varieties give 50% more yield and have a 40% more sugar recovery than the local variety. Trials wer conducted last year, for instance, with some of th Indian varieties in the farm of Abdul Khel of Nangarha and the sugar recovery was found to be 12 per cent.

25. Twenty thousand stelts of new varieties resistin frost and red-rot disease are expected to be imported in 1339 (1960/61) from India. These will be planted in the Ministry of Agriculture's farm in Jalalabad for providing farmers with planting material. It is hoped that they will obtain seeds of the better varieties starting from 1340 (1961/62). The provision of greater incentives to farmers in the form of higher prices is under consideration.

26 A substantial expansion in sugar cane production is envisaged in the long run since consumption of sugar can never be satisfied by sugar beet production alone. This expansion will be more feasible in the near future in view of the imminent expansion of irrigation facilities in the area. Work on the Jalalabad canal has already started. This project will increase the supply of water in an area eminently suited to sugarcane production.

VIII–Fruits

27 Afghanistan has ideal climatic conditions for fruit growing. It is considered one of the principal regions where cultivated fruits originated. This is evidenced by diversity of variety, exceptionally high quality and survival of wild-growing forms. Dried and fresh fruits constitute the staple diet of a large section of the population and also are one of the important cash crops for farmers. The most important of fresh fruits are grapes and melons and of dried fruits raisins.

28 The area under fruit trees in Afghanistan is estimated at about one million hectares. In 1337 (1958/59) the crop is estimated to have been approximately 500,000 tons.

29 Although the acreage increased in 1338 by a very small proportion, the crop is estimated to have risen to 676,000 tons. This substantial rise in production was the result mainly of a very intensified and successful campaign carried out by the Ministry against pests and diseases by chemicals. The main diseases fought were powdery mildew attacking grapes and webworm attacking peaches and almonds. In 1338 (1959/60), moreover, weather conditons were extremely favourable for fruit growing and water supplies were adequate. The farmers cooperated by using better agro-techniques, thanks to the intensified efforts of the extension workers everywhere. The

Ministry helped also by opening some supply stores for providing farmers with chemicals and better implements for fruit gathering. The only setback in 1338, however, was the severe reduction in the pistachio and pine nut crops which grow mostly wild. A very large number of olive trees grow wild in forest areas of Paktia and Nangarhar Provinces. Some foreign varieties of olive have been imported from the Mediterranean region both for oil and pickles and grafted on to some local varieties with encouraging results. It has been estimated that a substantial increase in olive production is feasible if current efforts are crowned with success.

30. Prospects for 1339 and thereafter are excellent. The efforts of the Ministry to provide chemicals and implements are being intensified. Providing farmers with these on a credit basis has been accepted in principle. More positive steps have already been taken to fight insects and diseases in areas that were not covered in 1338 (1959/60). The excellent results obtained are likely to encourage farmers to follow the advice of extension workers whose number has been increased. Extension is demonstrating better cultivation techniques, better methods of budding, grafting, thinning, pruning and fertilising orchards. Wider spacing of trees is being stressed. Planting younger trees is being recommended. Cooperatives for production, processing and marketing are being encouraged. Four Government orchards in Kabul, Kandahar, and Kunduz are being developed. Demonstrations to show the effectiveness of the new chemicals are being increased. Efforts are being made to improve the production of citrus fruits in the Eastern Province by introducing improved techiques and new varieties and by controlling chronic diseases. The Ministry of Agriculture imported on a large scale good varieties of orange and lemon trees in 1337 and 1338 which were planted in the province of Nangarhar. Better seeds were also imported for planting. The ultimate aim is to attain self-sufficiency in this crop. In 1336 (1957/58) over 22 tons were imported valued at over Af 275,000. Citrus fruits are reported to have good prospects in the Helmand Valley. Orchards have already been established but it will take from five to ten years to ascertain their success.

31. Exports of fresh and dried fruits are the most valuable single item in Afghanistan's foreign trade. In 1336 (1957/58), the country earned Af 675.7 million of which Af 531.2 million were earned from dried fruits. Approximately 31,500 tons of fresh fruits and 27,400 tons of dried fruits and nuts were exported in this year. Exports in 1337 (1958/59) are expected to be much larger both in value and quantity. Unfortunately final figures are not yet available.

32. Air transport development and the introduction of refrigerated trucks and the fuller use of available cold storage space in Kabul and Kandahar (in the slaughter house and Pashtun Indutries respectively) should soon lead to substantial expansion in exporting first quality fresh fruits, The standard of living and consequently the demand for fresh fruits are rising. Use of air transport will widen the fresh fruits market considerably. Fruit processing plants now under development in Kandahar should popularise Afghan dried furits in world markets. Special emphasis is being placed on quality control and marketing under the Second Five Year Plan, now being prepared.

IX- Vegetables

33. Vegetables were grown on approximately 100,000 hectares giving a total production of approximately 400,000 tons in 1337 (1958/59). No signficant change took place in either area or production in 1338.

34. It is expected, however, that in 1339 (1960/61) acreage will increase by approximately 2 per cent and production by about 3 per cent. This is due to a greater demand for vegetables as a result of higher standards of living, especially in urban communities. Better seeds and new varieties are being made available to farmers particularly those who are supplying large towns or cities. A greenhouse for production of early winter vegetables will be constructed in Jalalabad. It is hoped that the attention now being given to problems of preservation, storage, transport and marketing, will result in increased foreign exchange earnings and reduced losses fromspoilage. The efforts now being directed towards improved irrigation should raise yields. Exports of fresh and dried vegetables in 1336 (1957/58) amounted to approximately Af 10.6 million. The quantity exported amounted to 1,434 tons in the same year.

X- Oilseeds

35. The most important oil seeds are cotton seeds, sesame and linseed. It is estimted that approximately 150,000 hectares were under all types in 1337 (1958/59). Production in that year is estimated to have been approximately 50,000 tons of seeds.

36. There was no change in 1338. There are no changes expected in either the area or the crop in 1339.

37. The main uses of oil seed within the country are cooking, soap-making and illumination in remote villages. Afghanistan exported in 1336 (1957/58) oil seeds valued at Af 24.O million of cotton seeds, Af 14 2 million sesame seeds, Af 9.2 million of linseeds. No quantity figures can be quoted as oil seeds were added to spices in foreign trade statistics.

38. The castor bean is a promising oil seed plant in the Helmand Valley where the soil has plenty of potash and lime. The plant also tolerates salt. At present, it grows wild in this area. Experimental planting has been successful on linseed, ground nut and saff flower are in progress to improve their varieties.

XI - Cotton

39. Cotton is the second most important single export commodity after karakul pelts. It is widely grown but mainly in Kataghan and Mazar-i-Sharif including Sheberghan. The annual production of cotton lint in recent years is believed to range from 13,000 to 18,000 metric tons. It is reckoned that only one third ginned cotton by weight is recovered from raw cotton. Afghan cotton is generally of high grade, very white and not contaminated by leaves, dirt and trash. The length of fibre of the top grades is 1 1/16 to 1 3/16 inches.

40. The area under cotton in 1337 (1958/59) is estimated to have been 65,000 hectares. Production of lint cotton is estimated to have been only about 9,000 tons in the same year. In 1337 the cotton crop fell by about 50% from its level in 1336 when the crop was the highest ever known. The decline was caused by severe weather conditions and a sudden withdrawal of the usual advance payment made to growers at the time of seed distribution rendering cotton growing much less profitable than wheat growing.

41. After this catastrophic harvest and as a consequence of it the Government decided to provide cotton exporters with an increased return in Afghanis for their convertible exchange receipts from outside bilateral trading areas. It allowed them to dispose of 15% of their receipts at favourable free market rates. This change resulted in making the effective exchange rate for cotton exporters to multilateral markets Af 29.94 as compared with Af 26.40 per dollar that prevailed earlier.

42. In 1338 (1959/60) there was a very substantial increase in cotton production. It is estimated that at least 50 per cent increase took place in that year over the year before resulting in a crop of about 18,000 metrie tons of lint cotton. This increase was partially due to the completion of the schedule of increasing the the area under cotton and due to a rise in yield. Better seeds were distributed in 1338 by the Cotton Company at the correct time and farmers were persuaded to sow their seeds also on time. Farmers were persuaded not to grow more than one quarter of their irrigated holdings inorder to allow a better selection of land and more attention to be given to their crop. The excellent weather experienced in 1338 was a major factor in this success. The exchange rate adjustment referred to above provided an added incentive to exporters. Water supplies were particularly adequate especially in the Kataghan province where more than two-thirds of the total crop is normally grown.

43. Prospects of the 1339 (1960/61) harvest are good. The rate of increase experienced in 1338, however, is not expected to be repeated as the crop in 1337 was particularly poor. It is conservatively estimated that an increase in the crop in 1339 resulting in a crop of about 20,000 tons of cotton lint, will take place. The realisation of even this modest increase will depend on weather conditions. Efforts will be intensified to distribute selected seeds before the planting season and to persuade farmers to sow them on time as in 1338. Better implements are being put in the hands of farmers. Another variety (Akala 44) is expected to be introduced in a limited area in the Kataghan province. The ministry of Agriculture has this year imported about 2 tons of two other varieties of cotton seed from the Soviet Union which have a great resistance against wind. Experiments will be conducted with them in the Herat Province.

44. In order to satisfy the increasing demand of local textile mills and at the same time to maintain the present volume of exprots, great efforts are being made towards increasing production in the next few years. The mixed quality cotton, having a fibre length of three quarters of an inch, is being replaced gradually by pure varieties with higher yields, uniformity of strength and fineness.

45. The success of this cotton progam depends primarily upon the avaliability of sufficient water. The main practices that are being encouraged are early planting, proper spacing, row cropping, proper weeding and early harvesting. Wider use of insecticides against cutworms and cotton aphis is being encouraged also. Chemicals, dusters and sprayers are being provided at cost prices. Consideration is being given to raising prices to cotton growers. The basic policy pursued in the existing cotton areas is to achieve higher production by raising yields through seed selection and use of fertilisers rather than by putting more land under cotton. This is to avoid the possible consequent reduction in irrigated areas that are suitable for wheat, sesame seeds and rice. However, to meet the increasing demand for cotton, it may be necessary to extend cotton cultivation to new areas. The climatic conditions in Herat, Helmand Valley, Kandahar and Nangarhar are suitable for growing cotton of good variety. In order to extend cotton cultivation on a large scale to these areas, it would be necessary to improve the irrigation facilities, introduce proper plant protection measures and evolve suitable varieties of cotton through experiments.

46. The rate of increase of cotton production will have to be much higher than at present if the present level of exports is to increase and the rising local consumption is to be satisfied. By the time Gulbahar goes in to full production about 9,600 tons of ginned cotton will be required locally (5,200 for Gulbahar, 3,700 for Pul-i-Khumri and 700 tons for Jebelseraj). Even at full capacity, these plants might not produce the 120 million square metres required for local consumption. More factories will thus have to be established and consequently

more cotton will be needed to satisfy local consumption.

47. Afghanistan exported 17,707 tons of cotton lint in 1336 (1957/58) valued at Af 319 million. The chief market was the U.S.S.R. which received 12,655 tons valued at Af 234 million in that year. Afghanistan did not suffer from the fall in world market prices of cotton in recent years because of its bilateral trading agreement with the U.S.S.R. under which prices did not fall to the same extent as in world markets.

XII - Irrigation

48 Irrigation is a very important factor in the agriculture of Afghanistan. It is estimated that about two-thirds of the annual cropped area are irrigated. All existing irrigation systems, however, Suffer frcm two serious draw backs. One is the flood problem. Canals are usually intercepted by a number of mountain creeks or drain outlets. During flood times, freshets with large amounts of sand and gravel will either overload or choke the canal, causing canal breaches. When this happens, irrigation is interrupted. Heavy crop loss results during critical irrigation periods. The other problem is that irrigation water is not well distributed. There is no water control. The upstream farmers take too much water, resulting in over-irrigation and water wastage, while the downstream farmers suffer frcm either partial or complete water shortage. There is a third problem which may also become serious. While river beds due to the blow of torrential water are going down, the irrigation canals filled by the rivers remain at a higher level. Easy flow of water from the rivers into the canals is thus interrupted.

49. The two important canals in the Kataghan province, the Adjmir Canal irrigating 60,000 jiribs and the Archi Canal irrigating 100,000 jiribs, are being improved to eliminate or reduce, as much as possible, the flood trouble and to distribute better the irrigation water according to the area to be irrigated. Flood water will be separted frcm the canal by building permanent crossing structures such as flumes and siphons. Better water distribution will be achieved by installing regulated turnout gates, at the heads of the laterals. A three-year construction program on the Adjmir canal started at the beginning of 1338 (March 1959). On the Adjmir, over thirty structures have been built and 50% of the work has been completed. On the Archi, the most important protection work near the Kokcha River is also under way, using galvanised-wire gabions imported frcm Italy. The construction work on the Archi canal began late in 1338 (November 1959) also with a three-year program. So far, 10% of the work on this canal has been completed. The survey of Shirwan canal in Imam Sahib and Karimwalah canal in Nangarhar province was completed.

50 The required funds will be made available by raising loans from the Bank of Agriculture. The loan terms and organisation of irrigation associations are being discussed by the Ministry, Kataghan Province and the Bank of Agriculture. This represents an important start on this project and also constitutes an important step towards improving other existing irrigation systems in Afghanistan.

XIII - Sericulture

51. The climate of Afghanistan has been recognised by the world renowned sericulturists who regarded the country as unique for growing mulberry trees and raising silkworms because of its dry air throughout the year and the obsence of any serious diseases which attack the mulberry trees and silkworms in other silk producing countries. Sericulture is therefore, been considered as a very good sideline for Afghan farmers.

52 Modern sericultual science and new silk processing methods were not developed until 1332 (1953/54) when 5,000 pieces of three improved mulberry varieties and certain new fareastern silkworm breeds were introduced and propagated with the help of FAO sericulturists. In the mean time the Government has been encouraging this rural industry and the people have continuously given their enthusiasm and support to it. Farmers, interested for their own benefit, have unanimously recognised the superiority of the new sericulture which helped them to increase their income year by year. For example from the first 5,000 imported mulberry trees planted in Baghlan, the people grafted out only few a hundred trees yearly starting in 1333 but thousands in recent years. The seedlings planted this spring of 1339 for grafting purpose in Kataghan province alone, are estimated at over one million. The following is the record of improved silkworm egg yearly production in Baghlan and other areas at the central sericultural breeding station:

1332	(1953/54)	6,000	grs.
1333	(1954/55)	9,000	grs.
1334	(1955/56)	36,000	grs.
1335	(1956/57)	60,000	grs.
1336	(1957/58)	95,000	grs.
1337	(1958/59)	125,000	grs.
1338	(1959/60)	174,000	grs.

53 The increase of egg production has been according to farmers demands. Except for Government relief in Badakshan province and for Rural Development purposes eggs were sold to farmers at Af 60 per box. It is intereting to note that in the years 1958 and 1959, though production was always moving upwards, farmers demands could not be satisfied from local production. It was necessary to order 12,000 grs. from Japan in 1338(1959/60) and 20,000 grs. from China and again 10,000 grs. from Japan in 1339 (1960/61).

54. For increasing the silkwórm egg production, the Ministry of Agriculture is building a new Central Breeding Station in Jalalabad. It also put into operation the newly-built Herat Breeding Station. It invited a Japanese sericulturist and two FAO sericulturists to supervise the two private breeding stations in Baghlan and in Kunduz. In order to build up a pilot modern mechanical silk filature for absorbing the expected large future production of cocoons and to process it into exportable standardized silk and sell it in world markets, a Japanese silk economist was invited in March, 1960. He came from the world leading silk corporation Gunze of Japan. He studied when and where this pilot silk filature is to be established and presented a detailed report to the Minisry of Agriculture. This year an experiment on sericlture was carried out in Panchshir and the result so for has been satisfactory.

XIV - Locust Control

55. There are two kinds of locusts which invade the standing crops of Afghanistan - the Desert Locust and the Local Locust (Italian and Moroccan varieties). Desert locusts originate from Iran and southern border areas and invade the provinces of Farah, Qandahar, Girishk and Herat from time to time. Local locusts have a permanent habitat in a region consisting of Kataghan, Mazar-i-Sharif, Shiberghan, Maimana and Herat.

56. The campaign against locusts is well organised under the Ministry of Agriculture. Any appearance of desert locusts is promptly reported to the Ministry which sends out personnel and vehicles to fight the locust menace with equipment already available in the affected areas. There are, on the other hand, permanent organisations for campaigns against local locusts in the affected regions. These campaigns are organised every year from February to June. Apart from the government organisations which are well equipped with chemicals and sprayers, the people are also mobilised in national campaigns against the menace of locusts.

57. In 1337 (1958/59) and 1338 (1959/60) there was some incidence of desert locust in Kandahar and Girishk, but it was not so serious as the locust invasion in 1339. The step taken to fight desert locust in 1337 and 1338 was destruction of adult and young locusts by chemicals and also by manual means with the help of the local people The area controlled against local locusts increased by about 50% between those two years as may be seen fromthe following table.

Area Controlled Against Local Locusts
(Hectares)

Province	By chemicals		By local people		Total	
	1337	1,338	1337	1338	1337	1338
Kataghan.	1,925	1,806	717	726	2,624	2,532
Mazar & Siberghan	19,222	30,015	2,808	6,338	22,030	36,353
Maimana.	1,963	1,975	954	628	2,917	2,603
Herat..	1,712	2,115	400	120	2,112	2,235
Total...,	24,822	35,911	4,879	7,812	29,701	43,723

XV-Animal products

58. The area of meadows and pastures in Afghanistan is estimated at 3,200 hectares supporting an estimated 25 million head of livestock. This animal population comprises an estimated 14 million sheep, 8 million goats, 2 million cattle and one million of horses, mules, cameis and donkeys combined. Livestock breeding provides employment for probably one third of the people. It provides the country with a variety of valuable products for home consumption, transport means and for export. Meat, carpets, wool, furs, hides and skins are the cheif products. It is not an exaggeration to state that livestock and their products constitute the biggest single source of the national income at present. Their future development in quantity and quality probably reresents the greatest single contributory factor to any future expansion in Afgha wealth and prosperity.

59. One of the main problemes in the development o animal products, however, is the provision of more an better fodder for animals. Various steps have been take for this purpose. An improved buffalo strain of Alfalf was introduced to the farmers. Also inoculation of seed with legume bacteria leading to higher yield of alfalfa w introduced by the extension agents in the Kabul are Twenty-four varieties of grasses are under trial in th Ministry's farm in Kabul for higher yield and resistan against cold and draught. Corn preserved in silos ha proved good feed for cattle and its possibilities are bei further investigated. In the province of Maimana, th square kilometres were quarantined for three yea and the results were satisfactory .

60. Improvement of cattle is another problem requiring urgent solution. Some cattle have recently been imported from abroad for breeding purposes.

61. Since animals are a major source of wealth in Afghanistan their protection against various pests and dieases is of utmost importance for the country's economic development. Accordingly, steps have been taken to protect animals against rinder pest, anthrax, black disease, blackleg, liver fluke, chicken pox and other pests and diseases. As a measure of protection animals are vaccinated on a mass scale and the progress in this respect may be seen from the following:

Number of animals vaccinated

Solar year	Number
1335/36	50,000
1336/37	110,000
1337/38	330,000
1338/39	1,143,000
1339/40	1,500,000 (planned)

After 1339/40, the number of animals vaccinated is expected to increase to approximately 3,000,000 per year.

62. In order to improve the breed of cattle artificial insemination of cows was introduced by a new department of the Ministry opened in 1337. The number of cows thus treated was 1,043 in 1337 and 1,185 in 1,338 the semen having been obrained from brown Swiss Friesian bulls. It was found that more than 50 per cent of these inseminations were successful.

63. There are three main indigenous sheep breeds in the country, karakul (estimated at 4 to 5 million), fat-tailed and carpet-wool type. The latter breed yields less than 1.5 kgs. of wool per sheering which is low compared with yields in other countries. Most Afghan wool is coarse, making it eminently suitable for carpet making but reducing its general acceptance in world markets. Marino breeds are being imported for their superiority in wool yields. A few hundred fine-wool sheep have also been imported to meet the rising demand for locally-produced articles of fine wool. A sheep-breeding station was opened in Qandahar in 1337 with the objects of breeding better varieties of Ghaljai sheep and improving the quality of the sheep. Attempts are being made at this station to develop a pure breed of Ghaljai and also to cross the Ghaljai with Marino sheep. Breeding of Marino sheep is also being tried out in this station.

XVI - Wool

64. Afghanistan's normal annual production of wool is estimated at about 10,000 tons a year of which about 2,000 tons are locally consumed mostly in carpet making. In 1335 (1956/57) total production is estimated to have been 8,400 tons of which 2,000 tons were used domestically mostly for weaving carpets. Wool is exported raw and in the form of fine carpets and rugs. Exports of raw wool in 1336 (1957/58), amounted to 7,973 tons valued at Af 215 millon. Average exports for 1332 (1953/54), 1333 (1954/55) and 1334 (1955/56) were 6,000 tons per year. Carpet and rug exports were 239,050 square metres valued at Af 96 million. The most important market for raw wool is the U.S.S.R. which purchased 5,163 tons valued at Af 86.5 million in 1336 (1957/58). Relatively higher prices are obtained by Afghan exporters under a bilateral agreement with the U.S.S.R. Despite the relatively favourable exchange rate offered to exporters earning convertible currencies, the flow to other markets is handicapped by the coarseness of most Afghan varieties which enjoy a steady market in the U.S.S.R.

65. There was no outstanding change in wool production in 1338 (1959/60). However, the prospects for the future depend on the success of the steps now being taken to introduce changes in breeding, feeding and marketing practices. More use of the existing mechanical wool cleaning facilities in Kabul and Qandahar cities is being encouraged. Such changes can only be achieved slowly through many years of patient and persistent efforts. The Wool Exporting Company, organised in 1334 (1955/56) is spear-heading the reform movement.

66 In order to improve sheep, breeders are being taught to cull inferior rams and ewes or at least castrate inferior rams. Superior rams raised in Government stations are being utilised through loaning or selling to breeders at nominal rates or low prices. Intensive up-breeding of strains of sheep is proceeding in the Helmand Valley in particular. More Government sheep farms similar to the existing one in Qandahar, are planned. Culling is being encouraged to rid existing herds of non-white sheep. It is estimated that over 25 per cent of Afghan sheep, excluding karakul breed, are black, brown or mixed. Coloured wool fetches prices one third lower than white wool.

67 Nurseries are planned in order to multiply valuable grasses and fodder plants in six areas. Special areas are being designated for the production and multiplication of species produced in these nurseries. It is proposed to regulate the use of pastures by rotating wheat dry farming with sheep grazing. Plans for the provision of fodder for supplemental feeding are being formulated. It is estimated that about 10 per cent of sheep die every winter, early spring and in time of summer droughts mainly through lack of such supplementary feed. This involves storage of hay, grain and pellets made out of cotton seed residue and other locally-available surplus products such as molasses.

68 Better sheering implements are being introduced. Current methods of sorting cleaning and packing fleeces and

raw wool are being improved to avoid mixing of grades. The activities of the Central Wool Research Laboratory in Kabul are being directed to research on wool production, flock management, establishment of wool export standards and training of personnel within the country and abroad. The veterinary program of the Ministry of Agriculture for reducing losses from common sheep diseases and parasites is being strengthened. (See table showing number of animals vaccinated under paragraph 61 above). In Chakhansur area, necessary measures were taken against liver fluke disease.

XVII-Karakul

69 The karakul skin industry has the distinction of being the largest single dollar earner and one of the chief sources of convertible currencies including sterling and German marks. It is estimated that the karakul skin industry gives employment to about one million people from Herat province in the West to Kataghan province in the north. This export of karakul skins is perhaps the most highly organised trade in Afghanistan today. Besides the well-organised Afghan Trading Company that was established in 1938 to organise this important trade in the U.S.A. there are also six other private companies (Shirkat) devoted to the same goal in other parts of the world. Until a few years ago Afghan karakul pelts had the best market in the world. However, in recent years Afghan karakul has been facing keen competition in the world market from karakul pelts exported from U.S.S.R. and South West Africa.

70 The number of karakul sheep raised apparently fluctuates sharply from year to year depending on availability of water, pasture and climatic conditions. Four to five million would seem to be the figures most often quoted. Some experts state that as many as 9.5 million karakul sheep existed at the end of the Second World War.

71 In 1336 (1957/58) over 2.8 million karakul skins were exported. Of these, just over one million was sent to the U.S.A. The value of exports in that year amounted to Af 444 million of which the equivalent of Af 211.7 were received from the U.S.A. The total production for 1333 (1954/55), including local consumption, was reported to have been 1.85 million indicating a substantial increase in three years. However, prices fell between 1336(1957/58) and 1337(1058/59) from over 8 dollars to about 7 dollars for a good quality skin. The fall was probably due to foreign competition and a decline in total world market demand. Karakul skins are exported only against payment in convertible currencies.

72 As in the case of wool, prospects depend on the degree of success in carrying out the various projects on hand. Most of these are identical with those mentioned under wool. However, in the case of karakul, improving quality has high priority on the list of develoment projects. The problems facing the industry are mostly in the field of competing on the world market. Studies are being made to increase prices given to breeders particularly for the higher-grade pelts. Prices paid to farmers vary from one third to two-thirds of the New York value. There seems to be ample room for improvement in this field by the establishment of breeders cooperatives. The establishment of Karakul-breeding stations and pure-bred breeding flocks is under consideration. As a matter of fact, a breeding station has already been established in the Pos-i-shan farm where the best breed of karakul will be evolved from the finest karakul sheep already available in the country and distributed to the sheep owners. At present about 850 karakul sheep are in this farm. Selective breeding should result in greater smoothness, glossiness and tightness of curl These characteristics are most desirable on the world market. New preparation methods for exporting pelts by air are being introduced. The distribution of high quality rams among Afghan breeders who have centuries of experience behind them will, no doubt, have a tremendous impact. It is earnestly hoped that asa result of all these efforts, Afghanistan's international leadership int his important industry will be regained.

XVIII-Research Laboratories

73 Scientific research being the foundation of all agricultural development. the Ministry of Agriculture has a number of research laboratories dealing with various aspects of agricultural research.

Agricultural chemistry laboratory:

74 This laboratory was established in 1337. Its main work has been analysis of soil, water, fertilisers and other agricultural material. Uptill now, the laboratory has analysed 750 soil samples from different parts of the country. The results of the soil analysis will be utilised for recommending suitable fertilisers to make the soil more fertile and for suggesting the best kinds of crop programs for different types of soil.

Plant protection laboratories:

75 There are three laboratories, for plant protection one in Kabul, one in Herat and one in Kataghan. In 1337 & 1338 these three laboratories carried out investigations and researches on various plant diseases and insects, on measures for their control and protection of plants against them.

Animal husbandry laboratories:

76 Vaccine laboratory: This was established in 1335-36. It makes vaccines against animal diseases such as anthrax, black leg, black disease, rinder pest and others. It is also making materials for disinguishing animal diseases.

During 1338-39 the laboratory produced about one and a half million vaccines and the production next year is expected to be two millions.

77. Animal clinics: Clinics for the treatment of animals have been established in Nangarhar, Mazar-i--Sharif, Qandahar and Herat.

78. Wool laboratory: This was established in 1337-38 and has been carrying out investigations and researches for the improvement of wool.

XIX- Survey of Land and Water Resources and Training of Personnel

79. One of the most outstanding steps towards the future development of agriculture in this country is the recently-concluded agreement between the United Nations Special Fund and the Ministry of Agriculture to carry out a Survey of Land and Water Resources and to set up an Agricultural Station.

80. The United Nations Special Fund has appointed FAO as the executive agency. The Ministry and FAO have agreed to cooperate on the project for five years. The Specil Fund's share is approximately one and a quarter million dollars, and the Afghan Government's share is the equivalent of approximately 0.8 million dollars in Afghanis.

81. An experimental station and staff for field testing of improved practices in crop production and animal husbandry, will be set up in the Kataghan province. This will also give training for extension workers at various levels for Kataghan and neigbhouring provinces. A seed multiplication scheme will be initiated. A pattern will be provided for the development of similar facilities in other parts of the country. The above two parts of the project are to be mutually supporting. The international staff for the experimental station will consist of 9 or 10 officers in the following fields: agricultural training, cereal agronomy, cotton agronomy, agricultural engineering, animal husbandry, agricultural extension and a number of short-term agriculturists will also be needed. A team of 12 Afghan agriculturists will work with them.

82. The land and water survey will include hydrographic studies such as river flow measurement, correlation of rainfall data, topographical and geological studies, general water management plans, soil surveys, land classification and land use studies.

83. Ten experts will carry out these surveys. Twenty-four Afghan specialists will work with them. The Afghans will carry on alone at the end of the five years envisaged for the project. At the end of this period, a preliminary development plan will be published, giving the findings of the surveys. During the five years of the project, certain steps will be taken to ensure realisation of potentialities. Field trials and training of personnel will be undertaken. A seed multiplication scheme will be initiated. These activies will take place in the pilot field station where the extension training centre will also operate. The station will include land for field tests and seed production, farm buildings, repair shops, offices, classrooms, housing for staff and trainees. Two hundred and fifty acres have been selected and surveyed for the purpose. Special attention will be given to cotton, sugar beet and cereals.

84. Extension agents and other categories of workers will be trained at the station in improved production practices and in extension methods appropriate for teaching and influencing local farmers to employ these practices. The training will take place at the station farm in the classrooms and on the fifty acres adjoining the station. The initial group of subject matter specialists will be trained by serving as counterparts to the international staff at the station and through study abroad. Refresher courses will also be conducted for the extension agents, at a later stage. In addition, scholarships will be awarded to six promising Afghans working on the project.

85. Machinery, implements, animals, tools, power generators, pumps, pipes, jeeps, one truck, spare parts, irrigation equipment, seed, fertlisers and insecticides will be supplied to the project by the United Nations Special Fund The Government will provide aerial photographs, maps, fuel, and oil for transport, construction of guaging stations, miscellaneous supplies, helicopter services, soils laboratories, offices, storage space, buildings, land, vehicle maintenance and freight costs incurred within the country.

86. The purpose of the project is the provision of information on the land and water potentials of major river basins including the Kunduz, Kokcha, Kabul, Harirud, Farah and additional minor rivers. It is designed to stimulate agricultural and general economic development. Its success will herald a new era in Afghan agriculture.

CHAPTER 11

INDUSTRY: AN ANALYTICAL REVIEW

1 - *The Need For Industrialisation*

1 There has recently been a perceptible change in concept regarding the importance and place of industry in the Afghan economy. While agriculture is still considered as the most important sector of the national economy, it is becoming more and more clear that under the present circumstances a more rapid development of industry is both feasible and necessary.

2. The standard of living of most Afghans is rising gradually. At the same time large - scale development plans have been embarked upon which require large amounts of foreign exchange. It is no longer possible to satisfy the requirements of these development plans and at the same time the increasing demand for imports from abroad. Hence it is imperative to try to produce locally an increasing number of these requirements in order to reduce the pressure on the balance of payments without curtailing the pace of economic development.

3. An equally important motivating factor behind the drive for industrialisation is the need for building an industrial base for the future progress of the country. Basic industries such as power generation, development of petroleum and other mineral resources are thus being initiated or expanded. Serious consideration is being given to the possibility of establishing fertiliser and iron and steel plants under the forthcoming Second Five Year Plan. A cement industry has already been started but more plants are being considered. Such basic industries will constitute the foundation for industrial advancement and will serve as impetus for further industrial undertakings.

4. Another motivating factor is the need to use better and more fully the local materials which are currently being partially wasted or not adequately utilised for maximum benefit to the economy. Wool and cotton, for instance, could be used in the fabrication of yarn or cloth, rather than exported raw as at present. Fruits could be better processed and packed. The current practice of exporting such items unprocessed no doubt results in great losses of potential foreign exchange earnings. Present export proceeds are much lower than is warranted by the intrinsic value of the goods sold.

5. It has recently been definitely ascertained that Afghanistan possesses substantial reserves of useful minerals that could be used for industrial purposes. Although it had been generally known that the country possessed minerals, this notion required confirmation by means of surveys and studies some of which have now been carried out. The prospect of developing of petroleum resources, for instance, has radically changed the industrial outlook. It is natural, therefore, that more earnest attempts should be made to use these valuable reserves by embarking on industrial endeavours on a large scale.

6. Industrialisation will no doubt increase the opportunities for gainful employment in the country. However, this outcome, though desirable, is currently being considered more as a by-product of industrial development rather than as a main objective. Population pressures do not appear to present an acute problem in Afghanistan at present. However, it is expected that more labour will become available as a result of improvement in general health conditions which are ultimately bound to raise the net rate of population growth. The gradual mechanisation and improvd techniques of agriculture, a process that has already started, will release some manpower from agricultural and animal - raising pursuits. The social change that is taking place at present is resulting in the wider employment of women outside their homes in towns and cities. This is adding to the available labour force for industry. Finally, the current expansion in the number of schools and vocational training facilities is creating a large body of young people who will be looking to fields other than agriculture for their livelihood. It is common sense, therefore, to prepare now for the absorption of this additional manpower in industrial pursuits as other countries have done.

7. As stated earlier, agriculture has no doubt been the most fundamental pillar of the Afghan economy and will remain so for sometime to come. However, in order to improve and expand agricultural production many industrial commodities are required. Large quantities of chemical fertilisers will have to be provided for agricultural yields or cultivated areas to increase. A large assortment or implements and tools will have to be introduced to achieve the same purpose. Fortunately Afghanistan does not lack the basic requisites for the local manufacture of at least some of these requirements. The sooner a start is made in this direction the better

8. At present, Afghan exports consist of a relatively few primary agricultural products, Karakul skins, fruits cotton, wool and carpets make up over 80 per cent of the value of all exports. In common with other primary producing countries, the country is perpetually faced with the danger of fluctuating and generally declining prices of these primary products. The recent tendency in most industrial countries to substitute synthetics for most of these products presents yet another danger. Hence it is vital to diversify the exportable commodities by fostering industry.

II-Requisites of Industrialisation

A: Capital

9. In common with most other underdeveloped countries, Afghanistan suffers from scarcity of capital. Lack of capital is mainly due to the relatively low rate of savings which in turn derives mainly from the prevailing low income level. This scarcity is acutely felt in the industrial field, in particular, because people generally do not favour industry for investment. They normally prefer to invest in more familiar fields such as land, buildings, trade and transport. Unfamiliarity with industry and its potential high profit yield is the basic reason for this prevalent attitude in the private sector.

10. This scarcity of capital for industry has been frequently remedied by Government participation. Many basic industrial projects have obtained their capital from public sources. Power generation, coal mining, petroleum prospecting are some notable examples, However, whenever private capital is forthcoming, the Government does not hesitate to join hands with such sources on a partnership basis. The creation of such industries as cotton, cement and engineering works was the result of this policy. Furthermore, when private capital is adequate for the task envisaged, the Government welcomes the opportunity of confining its role to guidance and encouragement. Many industrial enterprises such as textiles, chinaware, fruit processing and matches have been established through purely private initiative with official guidance, encouragment and the extension of some credit facilities. It is expected that more and more private capital will come forward for investment in industry as the tempo of economic development gathers momentum under the five year plans that are now being actively pursued.

11. In its efforts to quicken the pace of industrialisation the Government is seriously considering the establishment of an industrial development bank to provide potential industrialists with easy credit and technical know-how. Concrete steps have already been taken in this direction.

12. In addition, the Government has been actively procuring foreign capital from friendly nations for industrial purposes in the form of loans and grants. Simultaneously steps have and are being taken to create a favourable climate to attract private foreign capital for participation in the industrialisation of the country. This aspect will be dealt with more fully below.

B: Raw materials

13. In addition to capital, industrialisation requires raw materials. These can either be agricultural products or minerals which Afghanistan fortunately possesses in substantial quantities and diversity. The exact quantities are not known in every case. Some surveys have already been made and others are proceeding. An aerial survey has just been completed and a series of maps based thereon is being prepared. A Geological Institute has been established within the Ministry of Mines and Industries. Its main function is to survey the mineral wealth of the country on a systematic and exhaustive basis in preparation for their exploitation.

14. Afghanistan's agricultural products have been dealt with in Chapter I of this Survey. Its minerals can be divided into seven main categories:

a. Building materials: The most important are stones of different types such as granite, marble and alabaster which are found mostly in Qandahar, Maimana, Hazarajat and Kabul. Stone, sand and granite are found practically everywhere in the country.

b. Precious and semi-precious stones are also available. The most important of them is lapis lazuli which is to be found in substantial quantities in Badakshan province.

c. Non-ferrous metals: There are important chrome deposits estimated at 180,000 tons to be found in the Logar Valley in Kabul province, beryl in Paktia and Nangarhar provinces, lead and zinc in Qandahar, Farah, Parwan and Herat provinces.

d. Ferrous metals: Ferrous metals are found in Afghanistan in the form of manganetite and hemitite. According to a preliminary survey known reserves in Qandahar are estimated at 6 million tons, in Jabelsraj at 8 million tons and in Herat province at 3 million tons. A thorough survey is now in progress to bring these estimates up to date.

e. Coal is found in the northern part of the country, mostly in four places: Ishpushta 270 k.m. north of Kabul, in Karkar 23 k.m. from Pul-i-khumri, Daresoof 190 k.m. from Mazar-i-Sharif and also in Herat. The coal mines of Ishpushta and Karkar have been exploited for over 18 years and are being used for domestic and industrial purposes. The total reserves of the Karkar coal fields are estimated at 12 million tons, of Ishpushta at one million tons and of Daresoof at 60 million tons. More detailed surveys are under way.

f. Petroleum: A four-year petroleum prospecting program, covering an area of 43,000 k.m, is now in prog-

ress. A complete investigation, including aerial, magnetic, seismographic and gravimetric surveys was started in 1337 (1958/59). Prospection drilling is now in progress. As a result of the explorations carried out so far, two oil and gas deposits have been discovered in Sheberghan and in Andkhoy. Exact amounts of reserves have not been determined as yet in these fields. It is hoped that these reserves will be large enough not only to satisfy the country's local expanding requirements but also will leave a surplus for export. The establishment of an oil refinery is tentatively planned under the Second Five Year Plan if the results of the current investigations prove that the reserves are adequate.

g. Other minerals: Talc reserves are estimated at 10 million tons in Nangarhar province. Kaolin which is commonly used in making porcelain, is found in Badakhshan province in abundance. Other materials discovered in substantial quantity are quartz and feldspar, in Kabul and Nangarhar provinces. Salt and gypsum are found in most parts of the country. Sulphur is to be found in Mazar province. It is also found in Ashkachim in Badakhshan province. Reserves are estimated at about 600,000 tons.

C: Labor

15. While at present unemployment is not a problem. underemployment is. On the other hand, some industries have difficulty in recruiting steady year-round labor. As stated earlier, it is expected that more labor will become available as a result of better health, gradual mechanisation, improved techniques of agriculture, social changes currently underway and finally as a consequence of the rapid increase in the number of schools, vocational training institutions and other educational facilities. A valuable study on the current and prospective demands for manpower in Kabul has been undertaken by the Ministry of Planning. A brief summary of its findings is given as Appendix I to this Chapter.

16. When interest in industry and the realisation that there is a pressing need for industrialisation come comparatively suddenly, as they have in Afghanistan, the acute lack of skilled and trained personnel becomes increasingly evident. The process of turning a field laborer into a skilled artisan is often a slower and more difficult one than setting up a manufacturing plant. The creation and development of a managerial class is the slowest and most difficult of all.

17. One of the best and most practical methods of training skilled labor for industry is the tried and proved technique of on - the - job training. This practice has already proved its worth in various industrial concerns in Afghanistan. It is suggested that all new industries should be encouraged, or even required by law, to give such training as a regular feature.

18. There are various schools and institutes giving vocational training for industrial pursuits and new institutions are in the planning stage. The best known is the Afghan Institute of Technology in Kabul. It gives courses in civil, mechanical, electrical and aeronautical engineering. There are now two Mechanical Schools in Qandahar and Khost. These concentrate at present on metal working but new courses are being added. These will include electricity and plumbing.

19. The Ministry of Education is considering ways of filling the gaps in vocational training. Under the Second Five Year Plan, many courses of practical training are to be introduced into schools at various levels. Practical courses will be emphasised in secondary and in primary schools. Already, great stress is being laid on such work in the village schools and this is expected to be increased. Adult education classes will lay greater stress on practical courses in addition to literacy classes. The Women's Society in Kabul plans to extend its activities to the provinces and to give courses in handicrafts and other skills useful to industry.

20. At the university level, the Engineering Division of the Faculty of Agriculture and Engineering of Kabul University reached the stage of having its first graduating class at the end of the last scholastic year, 1338 (December 1959). The graduates of this Division are expected to be used increasingly in the industrial field in future. Moreover, there are plans to strengthen the courses in business administration given in the Faculty of Economics. Many other courses given in this Faculty would also be useful to a candidate for a managerial post in industry, including commercial law, accounting and corporation finance. In the Faculty of Law and Political Science, courses are given in economics, statistics, commercial law and accounting, Thus, graduates from this Faculty who are not absorbed into the Government service, might also prove to be good managerial candidates. The Faculty of Science has a main division for mining, another for chemistry. biology and geology, and another for mathematics and physics. Graduates from these three divisions would also be suitable for employment in industry as technicians or in supervisory positions.

21. A considerable number of graduates are sent abroad each year for further study and this number is increasing rapidly. Among these are many who would be suitable for industrial positions after completion of their fellowships and scholarhips.

22. Although the wage level in all fields of activities leaves room for improvement, wages of industrial workers are, on the whole, comparativly more satisfactory. They are high enough to attract people into industry and yet not too high to adversely affect the cost of manufactured articles.

23. At the level of the ordinary industrial worker, be he skilled, semi-skilled or unskilled, wage levels vary considerably. To quote some typical industrial wages might be of interest: a woolen loom worker takes from Af 300 Af to 800 per month; a chief maintenance mechanic about Af 3,000; a semi-skilled factory worker from Af 250 to Af 500. In Kabul, where there are various industries, those offering lower wages have considerable labor problems and a very high labor turnover. At present, there is no minimum wage provision in the law. In some factories, cash wages are supplemented by extra benefits paid in kind. Labor is undoubtedly cheap to hire on the whole but productivity should be increased. The problem of seasonal absenteeism in the summer months is serious.

24. Without any doubt, various factors, in operation at present, will result in a gradual increase in wages. The practice of giving extras in kind or fringe benefits,as they are sometimes called, should be continued as these are socially desirable They often include clothes or uniforms and food. The practice of giving a meal, either free or at very low cost, is a good one. It encourages better standards of productivity at reasonable cost. Factories can usually produce a nutritious meal for a very small sum compared to the cost if prepared by the worker himself. Transport to and from work is another common fringe benefit. A system of pensions for industrial concerns should be considered. Provision of security for old age and after long service would be a vital factor in eliminating rapid turnover and absenteeism.

25. Some of the problems of industrial management in Afghanistan have been dealt with above in the sections dealing with training and wage policy. It is readily admitted that standards of industial management need to be raised further. The class of entrepreneurs which is now growing, would seem to realise fully the need for help and guidance from more experienced managers, if necessary from abroad.

26. In some cases, a solution to the problem of management may by greater encouragement of direct foreign participation in the setting up of new industries including the provision of capital and management. In most cases, where foreign capital is forthcoming for participation with Afghan capital the foreign concern would expect a share in the management. It is provided under the Foreign Investment Law, that such companies are obligated to train Afghans to take over managerial and supervisory posts. By such training the costly and lengthy effort of sending prospective managers abroad for training can be avoided in many cases.

27. the provisions of the present labor law include the following: The working day is for eight hours for the first six months of the solar year (starting in March of the Gregorian calendar) and seven hours during the remaining six months. The work week is six days, that is excluding Fridays. Paid vacations are to be granted for twenty days each year apart from national and religious holidays. There are provisions for compensation in the case of injury on the job.

28. At present, work is actively going forward on a revised Labor Law with the help of an expert from the International Labor Organization. Whenever possible, the new law will conform to the standards and recommendations of the ILO of which Afghanistan is a member. If necessary, standards will be adapted to present conditions but the law will be forward looking and will anticipate modern factory developments and conditions.

D. A Favourable Climate for Industry:

29. As can be seen from the above, the Afghan Government has taken many effective steps to encourage industry. Some of the most important measures taken in the fields of capital, raw materials and labor, have already been dealt with. This section will now deal more specifically with steps that have been take in other fields to create a favourable climate for industry.

30. The Government's encouragement to industry assumes many additional forms. Some of these are indirect and thus not immediately apparent. For example the spending of large sums each year on construction, maintenance and improvement of public highways is part of the effort being made to improve the essential infra-structure needed for the encouragement of industrialisation.

31. Three laws have been enacted to promote and regulate industrialisation. These are the Commercial Law of 1332 (1953), the Law for the Encouragement of Industry of 1328 (1949) and the Law for Encouragement of Private Foreign Investment of 1337 (1958). Two other relevant laws are being discussed by Parliament at present. They are the Mining Law and the Petroleum Law. It is expected that they will be passed and published very shortly.

32. The Law for the Encouragement of Industry is intended to encourage the mobiliastion of capital for industry. A brief summary of the main provisions follows. Exemption is granted from import duties on all machinery, equipment, building materials and raw materials needed for establishing and operating industry. Foreign exchange may be furnished for approved industrial imports at rates more favourable than those prevailing in the market. Income tax relief is granted for three years. Industrial credit may be provided on liberal terms. Protective tariffs may be imposed on competitive products to help local industry if such action is deemed essential. Government and Municipal institutions are encouraged to use the products of local industries even if they are moderately more costly than competing foreign products.

33. The Commercial Law: A detailed and comprehensive commercial law governs among other matters, corporate and private industrial enterprises. Promulgated seven years ago, it regulates industrial capital investment, forms of corporations and other aspects of commercial and industrial activity. To date it has been published in Farsi only. Recently it has been translated into English. Publication in that language is expected shortly.

34. The Law for the Encouragement of Private Foreign Investment is geared to attract foreign capital alone or in conjunction with local capital, for investment primarily in industrial enterprises. The incentives provided under the Law for the Encouragement of Industry apply, in the main, to foreign investors also but some new incentives were added in this Foreign Investment Law. The principle of no discrimination between foreign and indigenous capital in levying taxes and duties is declared in Article 5. Foreign investors may acquire land for industrial purposes under long-term leases. Free repatriation of profits and capital, subject to the provisions of Articles 6 and 7,is allowed. An Investment Committee is set up under Articles 9 and 10 of the Law to help foreign investors in many ways. Adequate provision to protect the interests of foreign investors in the event of nationalisation is provided for under Article 12.

III - Industrial Achievements

35. The importance attached to the generation of electricity has been highlighted in the 1959 Survey of Progress. This year, development in electric generation in 1338 (1959/60) and the plans for the near future will be reviewed. Afghanistan possesses substantial potentialities in the development of hydro-electric power. Electricity has a special significance for the industrialisation of the country. It is relatively easy and inexpensive to transport. This factor is of particular significance under present road conditions and because of the relative scarcity of transportation facilities available. Moreover, the construction of multi-purpose dams has a special importance for the country. Because it could produce not only electricity for industrial and other purposes but at the same time serve agriculture by providing additional water for irrigation. More water means more land under cultivation and higher yields for lands already cultivated since arable land is plentiful but rainfall in most areas is inadequate.

36. The present sources for the generation of electric power are three: hydro, diesel and steam. The installed capacity and the production from each of these three sources is set out in a table below. The statistical appendix will give details of each station under each of these three categories.

Electric Generation by Source

Source	Installed capacity in K.W.		Percentage	Production in Kilowat hours		Percentage
	1337 (1958/59)	1338 (1959/60)	change	1337 (1958/59)	1328 (1959/60)	change
1. Hydro	36,112	36,112	—	66,186,470	77,550,372	+ 17.1
2. Diesel	3,313	3,463	+ 4.5	4,503,050	3,977,491	— 11.7
3. Steam	1,540	1,540	—	685,000	685,000	—
Total from all sources:	40,965 ×	41,115	+ 0.4	71,374,520	82,212,863	+ 15.0

× This figure was revised after publication of the Survey of Progress, 1959. For more details see Statistical Appendix. Emergency diesel capacity and production are excluded.

Source: Statistical Department, Ministry of Mines and Industries, Kabul.

37. While the installed capacity remained almost the same, there was a substantial increase in the total production of electricity between the years 1337-1338. As can be seen from the table above, the installed capacity has increased from 40,965 k.w. to 41,115 k.w. Production on the other hand, has increased from 71.4 million kwh to 82.2 million kwh i.e., an increase of 15 percent during the same period. Although total capacity did not increase substantially during 1338, work on new projects proceeded during the year. The construction of Ghouri plant with a capacity of 9,000 k.w. and one at Khanabad with 1,400 k.w. capacity was continued during the year. The last named was completed at the beginning of 1339 (March, 1960) and is now supplying electricity to the Cotton Industry in Kunduz. Blue prints have also been prepared for the great Naghlu Power Station with a capacity of 60,000 kw and the Jalalabad Canal dam with a capacity of 10,000 kw and blasting commenced in August, 1960. The increase in production during 1338 was mainly due to better utilisation of the existing capacity owing to higher demand and more efficiency in running the plants.

38. In view of the exceptional importance of the Naghlu and Jalalabad and Ghouri projects to the general economy of the country, a brief account of their capabilities will be given hereunder.

39. The Naghlu Hydro-electric plant will be installed at a point 1,500 metres below the confluence of Panshir and Kabul rivers at a distance of 10 kilometres above the existing Sarobi hydro-electric plant. The project will have three turbine generators of 20,000 kw each. It will be completed within five years starting in 1339 (1960). The proposed concrete dam will be 106 metres high and it will have a reservoir containing 530 million cubic metres of water. The reservoir will cover an area of 16 square kilometres. The estimated cost of the project will amount to about 19 million dollars and Af 700 million. One of the most important contributions this dam (the Naghlu) will make is that it will provide a steady supply of approximately 100 cubic metres of water per second and will thus regularise the flow of the Kabul river to help n. only the new Jalalabad canal dam but other future projects on this river as well.

40. The Jalalabad Canal project is one of the largest of its kind under the second five-year development plan. It provides for the construction of a dam 22 metres high, a hydro-electric plant and an irrigation canal system. When completed, the project will irrigate 36,000 hectares of land. Out of this area, 29,000 will be irrigated directly from the canal and the remaining 7,000 hectares will be irrigated by pumps run by electricity produced by the project. The main canal will be 70 kilometres long. The estimated cost of the whole project is 22 million dollars and Af 376 million. The project is estimated to take four years to complete.

41. The Ghouri Hydro-electric plant is being built in the industrial district of Pul-i-Khumri. It has a capacity of 9,000 kw. and is expected to be completed towards the end of the first or at the beginning of the second five-year plan (September 1961). This plant is being built with the assistance of Soviet specialists.

42. Coal is the second most important source of energy in Afghanistan at present. The exploitation of coal mines is purely governmental and is in charge of the Ministry of Mines and Industries. A great deal has been done during 1338 to raise the amount of coal produced. As small-scale forestry scheme has been initiated with success in order to provide adequate poles as pit props for the coal mines. The program of mechanising mining operations is progressing satisfactorily. A small electric generating station of 300 kw. was set up and the energy produced is being used in the mines to improve their facilities and the methods of mining. A group of specialists is actively working to evaluate the coal reserves particularly in Karkar and Ishpushta mines. As a result of these endeavours, production in 1338 increased by 23 percent from 33,746 tons in 1337 to 41,400 tons in 1338.

Annual Production of Coal

1337 (1958/59) and 1338 (1959/60)

Coal mine	Annual production (metric tons)		Percentage change
	1337	1338	
1. Karkar	21,396	25,900	+21
2. Ishpushta	12,350	15,500	+25
Total	33,746	41,400	+23

43. It is interesting to note that the expected total production in 1339 is estimated tentatively at 55,000 tons. This amount exceeds that envisaged under the First Five Year Plan. A table appearing in the Statistical Appendix shows the development of coal production in both Karkar and Ishpushta mines on a monthly basis for the year 1338.

44. Extensive prospecting for petroleum in the north has been and is being carried out with the assistance of the U.S.S.R. A sum of Af 420 million has been earmarked for these operations. Accomplishments to date will now be given in some detail. A general geological research of 8,000 square kilometres and an aerial magnetic survey covering an area of 42,000 square kilometres have been made. The photographic survey of the areas being prospected has been completed. Gravimetric work in an area extending to 27,000 sq.kilometres and a seismetric study in areas of about 600 square kilometres have been done. Explorative drilling has been carried out in four places to a total depth of 3,800 metres. In addition, various buildings have been erected for residences, workshops and laboratories in the neighbourhood of Mazar-i-Sharif and Saripool. At present the oil exploration program in Afghanistan is being executed by the Petroleum Exploration Department of the Ministry of Mines and Industries. Legislation has been prepared by the Department to regulate future activities in the petroleum sphere. Mining and petroleum laws have been drafted and are under consideration by Parliament.

45. The textile industry is one of the best-established and oldest in the country. Afghanistan today produces cotton piece goods, cotton yarn, rayon and woolen piece goods. The production figures of these for 1337 and 1338 are set out in brief in the table below. There are more detailed figures given in the Statistical Appendix.

Textile Production

	1337 (1958/59)	1338 (1959/60)	Percentage change
1. Cotton piece goods (in metres)	21,930,000	16,383,000	—25
2. Cotton yarn (in bundles)	61,500	26,450	—57
3. Artificial silk (Rayon) (in metres)	38,850	197,000	+407
4. Woolen piece goods (in sq.metres)	240,170	333,000	+39

Source: Ministry of Mines and Industries.

46. As can be seen from the table above, the production of both cotton piece goods and cotton yarn have declined somewhat between 1337 and 1338 due mainly to appreciable overstocking that took place in 1337. The decline in cotton yarn amounted to 57 percent and in cotton piece goods to 25 per cent. During 1338 the cotton textile plants deliberately put some machinery and equipment temporarily out of action in order not to add to the already expanding but unsold stocks. However, woolen piece goods production in 1338 increased by 39 percent over 1337. Rayon production in 1338 was over five times its level in 1337. This was due to the opening of the new factory in Kabul.

47. Considering that the Gulbahar textile plant is Afghanistan's largest and most modern plant, some details will be given below about this factory. It was inaugurated on June 23,1960 (Saratan 2,1339) although some parts had been in operation for over a year. The plant which has been designed and constructed with the assistance of German specialists, is an integrated establishment comprising all stages of cotton textile production including spinning, weaving, dyeing, finishing and printing. The factory has 43,000 spindles, 1,200 automatic looms, bleaching equipment capable of handling 120 metres per minute and printing equipment capable of printing up to 6 metres of cloth per minute in up to six colours simultaneously. The factory is capable of producing up to 17 million metres annually per one shift. It is estimated to have cost about Af 800 million of which the equivalent of 18 million dollars, was in foreign currency.

48. There are at present three major automative and general workshops in Afghanistan working or under construction. One (Jangalak) has recently been inaugurated and the two others are expected to be completed in the near future. These workshops have been described briefly in the Surevey of Progress of 1959. The Jangalak Workshop which has been constructed through the assistance of U.S.S.R, has a foundry capable of smelting 700 tons of scrap iron per year. There is also another smaller foundry for non-ferrous metals. There is a fully equipped wood and a metal work-shop. The latter is capable of producing such hardware itmes as locks, hinges, nuts, bolts and nails. It is also capable of electro-plating and painting metals. The motor repair shop is fully equipped for major overhauling. It is capable of handling about 1,400 motor vehicles per annum (4-ton average). In addition, the plant is designed to manufacture different types of motor spare parts. It is also capable of repairing different industrial machines and equipment and, if necessary, can manufacture the defective parts locally. The two other major motor repair-shops, each with a capacity of repairing about 500 vehicles per annum, are being built in Zandabanan (Kabul) and Qandaher with the assistance of the U.S.A.

49. Afghanistan possesses one operating cement plant at present. It is situated at Jabelseraj, north of Kabul. This plant has a capacity of 100 tons per day and started production on Sawr, 1337(May 6,1958). The plant produced, in 1338 (1959/60), 34,038 tons as compared with 20,950 in 1337. The cement produced in Jabelseraj is ferrous cement of high quality and is particularly suitable for building dams and other construction exposed to water. It has been extensively used both by government contractors and by the private sector. Prices are competitive but the supply is not meeting the increasing demand.

50. Another plant in Ghouri, near Pul-i-khumri, is under construction with the technical assistance of the Czechoslovakian Government. This plant is larger than that of Jabelseraj. Work on the plant has started in Saratan, 1338 (July, 1959) and is expected to be completed within a period of three years. The capacity is 200 tons per day but it is designed in such a manner that it could be extended to 400 tons of portland cement daily from 1961 onwards. Electric power for the factory will be obtained from the new plant that is now being installed.

51. There are two factories producing chinaware at present; one in Kunduz and the other in Kabul. The total production in 1338 was 174,835 pieces from both these plants. This represents a substantial increase over the production in 1336 which amounted to 104,000 pieces. The Kunduz plant is relatively recent. It was completed in Sunbula, 1338 (September,1959) During the first nine months of its life, it produced 38,855 pieces. There are monthly figures for the production of china included in the Statistical Appendix.

52. There is one match factory in Afghanistan at present. It produced 484,100 dozens of boxes in 1338 as compared with 608,670 dozens in 1337 representing a

fairly substantial decline in one year. This is caused by a close-down of the factory for two months during the year due to the unavailability of essential raw materials. A great deal, however, has been done to rehabilitate this plant. Amongst the steps taken was the procurement of modern equipment from Germany and Japan. As a result of this the capacity of the plant has been increased up to 2 million dozens per annum. The price of locally produced matches is competitive with similar imported articles.

53. The factory for cotton ginning, oil extracting and soap making is progressing satisfactorily in Kunduz. The capacity of the plant is 40,000 tons of cotton, 4,500 tons of oil and 1,800 tons of soap annually. The factory is under joint ownership by Government and private enterprise. It cost approximately Af 100 million to build. Its soap production in 1338 declined by about 9 percent from 1337 owing to the relative scarcity of cotton seeds resulting from a crop failure in that year. (See Chapter 1 of this Survey).

54. The production of cement, chinaware, matches sugar and soap in 1337 and 1338 are given in the table below. Whereas the production of chinaware went up by over 82 per cent, and that of cement by over 62 percent, that of sugar, soap and matches declined in 1338 as compared with 1337. The cause of the decline in matches and soap have already been explained.

Industrial Production (Other than Textiles)

Commodity	Unit	Production		Percentage change
		1337	1338	
Cement	metric tons	20,951	34,038	+62.5
Chinaware	pieces	95,752	174,835	+82.5
Matches	thousands of dozens	608	484	—20.5
Sugar	metric tons	4,723	4,475	—5.3
Soap	cakes	1,134	1,031	—9.0

Sources: Statistical department, Ministry of Mines and Industries and Survey of Progress, 1959, Ministry of Planning.

55. Work is progressing on a fruit processing plant in Qandahar with a capacity of 35,000 tons of fruits per annum. This factory is being built with the technical assistance of the Czechoslovakian Government. It is expected to go into production towards the end of the first five year plan or at the beginning of the second (end of 1961).

56. The woolen plant in Qandahar has recently been rehabilitated through the assistance of Polish technicians. The quality of its products has thus been improved substantially and its capacity has been increased by about 50 percent.

57. In addition to the above, there are also more than 50 small induustrial establishments mostly in the form of mechanical workshops, furniture shops, textile mills and others, both in and around Kabul and elsewhere in the provinces. These plants are registered in the Ministry of Mines and Industries.

Conclusion

58. Although Afghanistan is still a predominantly agricultural country with a very high proportion of rural population, it can be seen, from what has been described above, that a start has already been made towards a more rapid development of industries. The goal of the Government is to transform the present one-sided economy of the country, based mainly on agriculture, to a more balanced form based on the rapid and simultaneous development of both agriculture and industry.

59. There are still many difficulties in the way but it is hoped they will be overcome, in due course, through the right policy adopted by the Government, the hard work of the people and the timely assistance of friendly nations and organizations.

APPENDIX I

EMPLOYMENT MARKET

Information Relating To Kabul

1 - Introduction

1. The importance of statistics relating to the supply and demand of manpower is self-evident in the context of the Government's plans for economic development. Reliable estimates of the supply of manpower are not available in the absence of a population census. However, it was decided to collect information relating to persons employed in the private and the public sectors as well as information relating to the current and future demands for manpower. A beginning was made by collection of employment market information in Kabul on a pilot basis in February, 1960. Some of the findings of this first study of its kind in this country are given below.

11 - Estimate of Labour Force

2. It is not easy to estimate precisely the size of the labour force in Kabul. Reliance has been placed on the report of a survey made by the World Health Organization in October, 1954. Basing the estimates on this study, the present population of Kabul may be estimated at 250,000 (excluding the inmates of educational institutions and military barracks). As was found to be the case in some previous studies, the percentage of males has been taken to be 52%. Those belonging to the age group 15-60 were taken to be 51% of the males. The working male population of Kabul may thus be assumed to be 56,580. (See Report of WHO relating to 84 villages in Logar Valley (1958) and Survey of the population of Village Deh Khudadad, April, 1960).

III-Response From Employers

3. Letters seeking employment data were issued to 745 employers, 331 in the public sector and 414 in the private sector. 84% of the employers in the public sector and 57% in the private sector submitted replies. 62 letters could not be delivered to employers in the private sector.

IV-Level of Employment

4. Public Sector: 21,688 men and 1,285 women in 28 industries and 290 occupations were reported to be employed in the 277 establishments which submitted the information. The employers who did not respond are therefore presumed to employ 4,131 men and 245 women.

Private Sector: In the private sector 201 establishments reported employment of 3,213 men and 155 women in 32 industries and 134 occupations. The employers who did not respond are presumed to employ another 2,423 men and 118 women.

5. In addition, the wholesale traders who were not asked to send the information (640 in number), retail shopkeepers (5,695 in number) and small industrial establishments (700 in number) are estimated to employ another 10,500 workers in the private sector.

6. Several employers in the private and public sectors reported indirect employment of over 3,110 persons who were paid and employed through contractors in occupations allied to building construction.

7. 2,500 persons were reported to be registered with the police as domestic servants. This figure is an underestimate. The total number of workers thus accounted for during the inquiry is as follows:

Direct employment ...	33,348
Indirect employment ..	3,110
Private commercial sector.	10,500
Domestic servants ...	2,500
Total	49,458

8. This estimate of 49,458 includes 1,803 women workers. Excluding the women workers, therefore, only 8,900 male workers remained uncovered by the inquiry. These 8,900 workers comprise domestic servants not registered with the police and journeymen workers, petty traders and labourers in agricultural aud non-agricultural sectors. It would thus be seen that the most significant feature of the employment market of Kabul is that no evidence of unemploment has been discovered.

V- Demand For Manpower

9. During the employment market survey of Kabul, 3,853 current vacancies for men and 234 for women were disclosed by 277 employers in the public sector. The cur-

ent vacancies (4,087) are thus 17.2% of the total number of persons reported to be employed in the establishments which rendered the information.

10. Of the vacancies disclosed about 45% are for unskilled workers, about 30% for educated and technical workers. This is a very heavy percentage of unfilled job opportunities which appears to indicate the existence of a situation where such workers are in short supply.

11. In the private sector, as against a total employment of 3,368 persons by 201 employers, only 81 vacancies for men and 9 for women, have been disclosed. The vacancies are thus only 2.6% of the number of workers reported to be in employment in the sector.

12. In Kabul the private sector does not seem to be developing as fast as the public sector. The variety of current job opportunities is much more marked in the public sector than in the private sector. The manufacturing industries, that is to say the wealth-creating industries, are now in the process of being set up in the private sector and a change in the pattern of employment in this sector is envisaged in the future. Private enterprise has been reported to be functioning in nineteen industries which seems to be a happy indication for the future. The vacancies reported relate to 26 industries and 145 occupations.

VI- Employment of Women

13. Employment of women is of more than usual importance in this country. The picture in this respect has changed considerably since the introduction of social reforms in the autumn of 1959. Whereas before the reforms women found employment almost exclusively as teachers in girls schools, they have now been reported to be employed as directors, telephone operators, architects, president of a department, clerks and head-clerks.

14. At the end of August, 1959 women were in employment in nine industries in the public sector. By the end of February, 1960 they were reported to be working in seventeen industries. In the public sector, the number of women workers was 957 in August last. By February, it had become 1,292 registering a rise of 35%. In the period February-August, 1960 the number of women workers is expected to advance by another 30%. During the half year preceding the inquiry, additional job opportunities have been found for women in the following industries or services:

Government service.	115
Recreational services	61
Banks	54
Educationl services	39
Printing and publishing	31
Health services	21

In the case of banks, women replaced men in over fifty cases. In the private sector, the number of women in employment is expected to increase by 77.4% in the same period. The present number of women employees is reported by private employers to be 155.

15. The public and private sectors have both reported difficulty in recruiting administrative, technically trained and educated personel in 75 occupations. This, coupled with the fact that 4,177 vacancies were reported to be in existence in February 1960, would indicate that the economy is expanding and that the wealth-creating manufacturing industries are developing. It is essential that arrangements are made to eradicate the manpower shortages experienced by this important sector as early as possible so that the economic progress of the country may not be impeded.

VIII-Prospects of Employment

16. 478 employers belonging to public and private sectors who responded to the inquiry reported that at the end of February, 1960 there were 22,973 persons working as against 22,767 six months earlier. In order to appreciate the actual position, it may be kept in mind that 1,500 seasonal malaria workers were retrenched between August, 1959 and February, 1960. Not counting this 1,500, there would appear to be an increase in the volume of employment in almost every industry. In the forthcoming half year this is anticipated to be 18%. The largest increase in workers is anticipated in the Government departments and ministries, educational institutions, health and medical services. With the exception of the demand for unskilled workers the biggest need is for technically-trained and educated persons.

17. In the private sector also, the 201 employers who reported, expect the volume of employment to progress from 3,368 to 3,936, that is to say, that it would expand by 16.8% during the six months to the end of August, 1960.

18. The rate of expansion of job opportunities, according to information furnished, is much higher than the rate of increase in the labour force. Prospects of employment are particularly bright for educated and technically-trained persons.

CHAPTER III

TRANSPORT DEVELOPMENTS AND PROSPECTS

I-Introduction

1. The development of transport plays a major role in social and economic progress. In Afghanistan, there are special factors which render transport of even more vital importance than in other countries. These same special factors have made the cost of developing transportation high.

2. One dominating factor is Afghanistan's geographical situation. This is a landlocked coutry in the heart of a great continent and with no easy access to the sea. It is not possible, therefore, for Afghanistan to develop sea traffic for the shipment of its exports and imports.

3. The country possesses vast expanses of steppes and mountain ranges in the central and eastern parts, dissected by narrow gorges and passes. Its landscape as well as most of its roads and waterways are influenced by the dominating Hindu - Kush range which traverses it from north east (about 6,000 metres) to south west (about 900 metres) diminishing in height as it proceeds westwards.

4. Afghanistan's rivers thus run swiftly and have many rapids in mountainous areas but in the plains they are usually shallow. The result is that there are very few navigable waterways apart from the Amu Daria (Oxus River) and possibly the Helmand River. On some few other rivers, rafts and other small craft can sometimes be used for fording, freight or short passenger journeys. In some forested mountain areas, particultarly of Nuristan in Nangarhar province, logs are floated down to the plains. Apart from these limited uses of waterways, there is little chance of further developing river traffic in this country.

5. Geographical and historical factors have hindered the development of railways in Afghanistan. There have been studies and discussions on the practicality of building railways but the high cost involved in comparison with the volume of traffic anticipated has made this venture impracticable up to the present time. However, this matter will be under consideration and will be resolved in the light of circumstances especially with due regard to the development of other means of transportation.

6. As far as railways are concerned, there are firm plans to construct a railhead between Wish, near Spinbaldak on the Afghan border, to Chaman across the frontier, near Quetta. This railhead will have customs facilities, loading equipment and buildings. It should have a considerable effect upon the pace of economic development, particularly in the Helmand Valley in the south-west. Apart from this short railway line, it has been apparent for some time that the only two major means of transport that are feasible and essential for modern economic development at present, are road and air traffic.

7. Just as geographic and economic factors indicated the type of transport means to be developed, the very same factors set the kind of problems that have to be solved. In many cases, high mountains and long distances separate the main centres of population and economic activity. In other cases, rivers and deserts create barriers for traffic. Swiftly changing climatic conditions in mountains and in deserts, spring run-offs and extremes of temperature, create problems which require technical know-how and wide experience to surmount. Meteorological stations, airfields, bridges, road building and asphalting, all require skills that are relatively scarce. Modern equipment and materials are not locally available and thus must be imported. It will continue to take vast amounts of capital to procure these in sufficient quantities for both construction and maintenace if plans are to go forward on schedule.

8. It must always be remembered that the undoubted benefits to be derived from the vast investments of money, men and machines, which are currently being poured into the improvement of road and air traffic in Afghanistan will not be as clearly apparent as the products of, say, an equally costly textile mill or cement factory. Considerable time must pass before investments in modernised transportation systems pay off in concrete results. Even then, the pay-off cannot to be counted in monetary terms but rather in higher standards of living and general economic prosperity which are not easy to assess.

9. Since private capital naturally expects concrete monetary returns, the burden of developing all forms of infrastructure, including transport systems, has traditionally fallen, in most countries, upon the state. Afghanistan is no exception. The Government has shouldered this burden with determination and is pressing forward with an ambitious transport program despite heavy responsibilities in many other fields. The road network planned covers

2,100 kilometres costing approximately Af 7 billion. The air program during the First Five-Year Plan including airports, civil aviation and airlines is estimated to cost approximately Af 5 billion. This chapter will highlight some of the most significant problems and achievements in the transportation picture both for road and air developments.

10. As this topic is being dealt with for the first time in the Survey of Progress, some background information is included. In conformity with the pattern adopted in other chapters of this Survey, the treatment will cover, besides the background, recent developments especially in 1338 (1959/60), current activities, problems and finally immediate prospects.

I – Roads

11. It is estimated that at the beginning of the First Five Year Plan there were 3,700 kilometres of all-weather roads in Afghanistan and an additional 2,500 kilometres which were seasonably motorable,

12: During the past decade and particularly during the last four years, great efforts have been expended on the road program. Considering that almost all earlier road building was manual, the gradients and alignments were found by surveyors to be surprisingly satisfactory. With one major exception, the Salang pass road and tunnel, the improved roads will not deviate form existing roadbeds, except for minor straightening and realignment.

13. A map is given on the Statistical Appendix which shows the main road systems. An effort has been made to include on it most of the place names mentioned in this Chapter. It is clear that the most important network follows a logical circular pattern and links most of the important cities in the country. This chief internal route, following it counter-clockwise from Kabul, runs northwards across the central mountains to Pul-i-Khumri, Kunduz and Mazar-i-Sharif. Thence via Maimana, Herat and Farah it bends southwards to Qandahar and returns to Kabul.

14. Perhaps of even greater importance, are the roads leading off from this vast circulatory system to the borders of the country. The main ones giving access to the border, are Kabul-Torkham and Qandahr-Spinbaldak. Giving access to the Soviet Union are the roads from Kunduz to Qizil Qala, from Mazar to Clift and from Herat to Kushk. Into Iran, the main route runs from Herat to the border at Islam Qala.

15. There are also various regional road systems. The most highly developed is in the Helmand Valley area. Herat, Jalalabad, Faizabad and Mazar are other provincial centres upon which minor roads converge.

16. At present, 2,100 kilometres of the roads just mentioned are being modernised to the stage of asphalting. Because of their importance, the major roads under this development program will now be discussed individually in some detail.

A. Kabul-Torkham Road

17. The bulk of the goods exported to India, Pakistan and to all western countries and imports from these countries, have traditionally passed along this route. The length of this important artery is 232 kilometres. The cost of its modernisation is estimated at Af 1.06 billion. Surveying and roadbed construction are almost completed. In additon, about 76 kilometres from Torkham to Jalalabad have now been given a first layer of asphalt. Thirty kilometres of this distance has received a second layer. So far, about Af 331 million have been spent on this road. Substantial sums have thus still to be spent before its completion. Asphalting and some engineering services have been carried out with the assistance of the U.S.A.

18. Already the improvement in this road has reduced the number of breakdowns and wear and tear on vehicles, thus substantially shortening the travelling time between Kabul and the border and reducing the cost of transport. Better mileage per hour is now possible and thus lower gasoline consumption. For these reasons, transport services have become more regular. Some benefits to the conduct of foreign trade should undoubtedly have accrued already.

19. The improvement of this road has certainly facilitated the execution of development projects in the area. Construction and other equipment has been transported from the border with less breakage and with greater speed. The opening up of the road to faster traffic has also enabled materials to be brought in from the north and the implementation of such projects as the Naghlu Dam and the Jalalabad Canal project has been greatly facilitated. Nangarhar province and Nuristan particularly, has felt the impact of increased contacts with the rest of the country.

The railhead at Wish near Spinboldak, in conjunction with the road from Kabul to Kandahar, will eventually carry part of the freight traffic directly to Karachi and thus reduce the load on the Kabul-Torkham road.

B. Kabul-Qizil Qala Road

20. This road constitutes one of most improtant links between the capital on one hand and Pul-i-Khumri, Baghlan, and Kunduz on the other. It also links the southern part of the country with Mazar. It connects Kunduz with the modern port of Qizil Qala on the Amu Daria (Oxus river). It was only about 30 years ago that such an important motorable road link was forged between the south and north of Afghanistan. However, owing to its length

and the difficulties encountered in crossing the Shebar pass and Darishikari, an important scheme was launched embodying tunnelling under the Salang Pass during the First Five-Year Plan.

21. This engineering feat is now nearing completion in the heart of the Hindu-Kush, that formidable mountain barrier. The completion of the tunnel will shorten the distance between the Afghan capital and the Russian border by 200 kilometres. The distance to be covered by the new road is only 400 kilometres instead of 600 at present. Of this 400 kilometres a stretch of 108 kilometres is entirely new, running from Jabelseraj to Doshi. Of this part, two and a half kilometres are being tunnelled through the solid rock of the mountain. These 108 kilometres will cost about Af 1.1 billion and the rest of the road from Kabul to Qizil Qala approximately Af 0.6 billion, making a total of Af 1.7 billion. This important road is being abuilt with the assistance of the U.S.S.R.

22. The stage from Kabul to Jabelseraj is largely completed right through asphalting. From Jabelsaraj to Doshi, on the entirely new 108 kilomtre section, including the tunnel, excavation is still in progress. It is expected that this section can be completed by September, 1962, i.e., by the end of the first year of the Second Plan. All other sections of the Kabul-Qizil Qala road should, however, be completed by September, 1961, i.e. by the end of the First Plan. From Doshi to Qizil Qala, excavation and roadbed construction are completed but bridge building is now in progress. Thus it will be seen that apart from the Salang Pass section, all excavation and roadbed building is almost finished along the entire length. In the fifth year of the First Five Year Plan, the construction work and the remaining bridges should be completed and the asphalting should also be finished.

23. Factories on or near this route depend on easy transport for their raw materials, their essential imports and the distribnution of their products. The cement factory at Jabelseraj, and the new one at Pul-i-Khumri both depend on transport of coal from Ishpushta andKarkar as well as distribution of their finished products by truck. Similarly, Jabelseraj, Gulbahar and Pul-i-Khumi textile factories, the porcelain, oil and soap factories at Kunduz and the oil mill at Mazar all depend upon this road both for their supply of raw materials and] for essential distribution of finished articles to their markets. This road should help to improve and develop the economy of this area substantially.

24. Already the improvements made in the north from Kabul have shown some significant economic benefits. The previous difficulties encountered in transporting cotton exports from the Qataghan province to Russia have now been overcome. Previously, gasoline supplies were often irregular and shortages in supplies occurred because of the conditions on this road. This situation has not recurred.

C. Kabul - Kandahar - Spinboldak Road

25. This road provides a vital link between the capital on one hand and the Kandahar region and the Helmand valley on the other. It passes through Ghazni, famous in history, Muqar and Kalat and ends by Qandahar, the centre of the rich and historical area between Herat, Spinboldak and Kabul.

26. The total length of this road is 604 kilometres and the cost is estimated at 24 million dollars and Af 100 million. The section from Qandahar to Spinbaldak is 104 kilometres in length and was completed, except for asphalting, before the beginning of the First plan. This allowed for easier importation of supplies for the development of the Helmand Valley. It should also be a very useful factor in the establishment of the proposed Qandahar Industrial Park. A contract has now been signed for the asphalting of this section and for the bridge over the Tarnak river. A survey of the Kandahar-Kabul section has been completed. All the machinery and equipment needed for the road have already arrived with the assistance of ICA. It is likely to take three or four years to complete construction and asphalting.

D. Kandahar-Herat-Torghundy Road

27. This is an important artery linking two of the richest agricultural regions of the country. It goes through Girishk, Farah and Herat provinces, thence to Torghundy on the Afghan border.

28. The total length of this road is 750 kilometres. Its surveying has been 50% completed. Preliminary construction work is progressing. Modern construction has been started using, for the most part, the old road which was one of the best known routes in Afghanistan. The map in the Statistical Appendix will show that a considerable saving in time and distance can be effected through the use of this road as it provides a firm link between the south-western and the north-western parts of Afghanistan. It should help the economic development of this region tremendously.

E. Mazar-i-Sharif - Clift Road

29. This road is a minor one in comparison with the others mentioned above. The length of this short link from Mazar to the Russian border at the Amu Daria is 118 kilometres and the cost is estimated at approximately Af 135 million. Up to the present, Af 2.2 million have been spent on this road.

II- Road Building Techniques

30 Most of the roads referred to above are being constructed with a width of ten metres for two-lane

traffic, with occasional wider places for parking and passing. Generally, they are designed for a capacity of not less than 400 vehicles per day in each direction. The present amount of traffic is far below this figure.

31. In order to meet the heavy demands which will be made upon it by this extensive program detailed above, the Ministry of Public Works will need to be staffed more adequately at all levels.

32. Until the beginning of the First Plan (1956) all roads were built with very little use of heavy mechanical equipment. Considering that manual labor was used, the gradients and alignments were excellent as noted above. This is testified to by the fact that, in the main, the same lines of the earlier roads are being adhered to in building and developing the new ones.

33. Afghanistan does not have an employment problem of the same nature or magnitude as that of many other Asian countries. A labor shortage is even foreseeable in the course of the next Five Year Plan. There is, therefore, no pressing need to create employment by the restriction of the use of machinery in road construction work. Furthermore, the reconstruction of roads is a prerequisite for commencing or for the success of some other development programs; conesquently the time factor is pressing. This is another reason for the increased use of mechanical equipment in order to speed progess. The Government has, therefore, turned increasingly to mechanisation in road construction and this policy is likely to go forward through the Second Plan. The Union of Soviet Socialist Republics and the United States of America have both contributed much help in the form of machinery and technicians for this program.

34. It should be mentioned that manual labor and also skilled labor for operating machinery for road building and related work is often obtained in Afghanistan through a special arrangement adopted by the Ministry of Public Works for a well-organised labor corps. This efficient and well-disciplined labor corps was created by the present Government at the beginning of the First Plan. Many tributes have been paid by Ministers and high personalities regarding the devotion to duty, enthusiasm and hard work of these volunteers, particularly on the spectacular stretches in the Sarobi Gorge, the Salang Pass and elsewhere. This system appears to be successful and as maintenance work will need to be partially manual for some time, it will probably be continued for some years. Many construction jobs including some roads and bridges are also being executed efficiently by private constructors employing labor hired for the purpose on an ad hoc basis.

35. Together with the construction of roads, maintenance is very important. It absorbs a large labour force and a considerable amount of money annually.

36. Road building and maintenance require a large assortment of materials some of which are obtainable locally. Until recently cement was not produced in Afghanistan. Even now the quantities made in the country are insufficient to meet the rising demand without supplementary imports. This situation will soon be largely remedied by the opening of a second cement plant as explained elsewhere in this Survey. Considerable quantities of gasoline, motor oil and asphalt are used up in road building and maintenance. All these three items are now imported, mainly from Russia. However, it is hoped that the prospects for the producton of oil and oil products locally will soon materialise and thus obviate the need for their importation involving haulage over long distances and costing valuable foreign exchange.

III- Investment in Road Building

37. The Afghan road building program started on a large scale with the adoption of the First Five-Year Plan. It is estimated to cost approximately Af 7 billion for rebuilding and asphalting a total of 2,100 kilometers of modern highways. One third of the total cost is expected to come from Government allocations. It is estimated that by the end of the fourth year of the Plan (September, 1960) Af 1.3 billion will have been spent. Of this sum, Af 0.9 billion will have been procured from the ordinary and development budgets. It is envisaged that, by the end of the First Plan (September, 1961) Af 2.9 billion will have been spent including Af 1.4 billion from public budgets.

38. The entire program outlined above is expected to be completed by the middle of the Second Plan (1963). Thus, by that time, a firm foundation for a modern highway system should have been laid. This extensive road program is being carried out with the assistance of the U.S.S.R and the U.S.A. Governments. This assistance takes the form of grants and loans on favourable terms. Highly skilled technicians, modern equipment and machinery and some essential materials are provided by the two Governments to carry out this program expeditiously to meet the needs of an expanding economy.

IV- Motor Vehicles

39. The numbers of trucks in operation in the years 1336 (1957/58) to 1338 (1959/60) will be seen from the table below showing vehicles registered by the provincial traffic departments, as reported to the Central Transport Department in Kabul.

Numbers of Registered Trucks

	1336	1337	1338	(Percentage of total)
Kabul province	2,414	3,176	3,556	64.4
Other provinces	1,805	1,844	1,966	35.6
Total	4,219	5,020	5,522	100

40. The above figures reflect the general picture accurately. A significant fact is that about two thirds of the total were registered in Kabul in 1338, a higher proportion than in preceding years. The number of trucks in the whole country increased between 1336 and 1337 by 19 percent and between 1337 and 1338 by 10 percent.

14. Sizes of trucks are not differentiated in the above figures. Eighty percent range from 4 to 8 tons each. During the past year i.e., 1338 (1959/60) more than a hundred 12 to 20 ton trucks were imported. The increase in capacity is, therefore, larger than would otherwise be inferred from the table. A large number of the trucks imported together with substantial quantities of spare parts were obtained through the use of a credit granted by the U.S.S.R. Government during 1337. Although the First Plan envisaged the importation of a large number of trucks annually, actually this number was reduced because it was found excessive in the light of improved highways, greater capacity of the new trucks and the establishment of maintenance workshops. It is reported that 3,751 trucks were imported during the three year period 1336 to 1338. It would thus appear that two thirds of the present fleet can be considered new and modern. It is extremely difficult to estimate accurately the need for new trucks in the coming years, particularly in view of the increasing use of trucks of larger capacity. The Transport Department is keeping this matter constantly under review in order to prevent, if possible, a shortage or over-supply of vehicles.

42. The highway construction program, improved customs clearance procedures, better loading and storage facilities should all lead to a speeding up of freight traffic which might further reduce the number of trucks needed. However, it is likely that the amount of freight carried will increase considerably, both for imports and for exports as well as for the local distribution of increases in agricultural and industrial production. Therefore, it would appear that despite the expected speeding up of truck movement, greater numbers of trucks will be needed in future.

43. For the present, however, it would seem that the present fleet of over 5,500 trucks and about 500 buses should be adequate if replacements are ordered for old vehicles which are retired from service and for those lost through accidents or by fire. Unless new studies belie this estimate, about 600 to 700 commercial vehicles will probably be needed each year for such replacements. New trucks ordered are likely to be of more varied and specialised design as the years go by, for example refrigerated trucks may be introduced.

44. It should be noted that quite a number of trucks are converted locally into passenger vehicles. As time passes the tendency is towards the provision of true buses for passenger traffic to replace the locally-converted trucks. In Afghanistan, mail is carried in trucks which also carry passengers. Two other specialised forms of transport that may be introduced are trucks for fresh fruits, and livestock; special fuel tank trucks are already in use. New metal coal trucks have been introduced. All these types are of vital importance to Afghanistan.

45. All vehicles are imported through the Government Monopolies Department directly or under authorisation issued to private firms or individuals. This Department has the power to restrict or expand the number imported. No customs duty is paid on trucks. They are sold to Government agencies, to private transport companies or to individual owners against payment in Afghanis. The free market rate in Kabul is used for conversion of foreign exchange.

46. The Transport Department reckons that truck performance should be estimated at an optimum 100 miles per day per truck while in service. At present, the actual mileage is probably about 50 miles per day. The reasons are given as road conditions, insufficient loading and inadequate storage facilities at both points of origin and of delivery. Trucks also run full (frequently over loaded or poorly loaded) in one direction and often return with as little as five percent of their capacity. This reduces the present utilisation to about 30 percent of the Transport Department's optimum estimate. This estimate considers only mileage but the true measure of utilisation would include figures for percentage of capacity used. It will be very difficult to get balanced loads in each direction. Even the most advanced countries have found it impossible to solve this problem entirely. However, improvement is possible. The rate structure, when set up, should take this into account. As waybills for receipt and delivery of small shipments come into general use, mixed loads will be encouraged. As the companies develop, more freight should be consigned to its destination instead of being accompanied as at present.

47. Owners of trucks fall into three categories: Government, private transport companies, and individual owners. Although the table below indicates that about 39 per cent of trucks were still owned by the Govenment in 1338, this percentage was much higher a few years earlier. There has recently been a discernible tendency for trucks to be owned and managed by private companies. The Government policy is to encourage this tendency by patronising these companies in many other ways.

48. The capital invested in transport facilities by about 65 private transportation companies is shown below. The number of these companies is increasing. The total investment figure indicates an average investment per truck of about Af 200,000.

Investment of Transport Companies in Afghanis

Paid-up capital.	165,648,463
Loans and other debts.	123,043,414
Total	288,691,877

Source: Transport Department, Kabul.

Gasoline

49 All gasoline and motor oil are imported through the Government Monopolies, largely from the Soviet Union, from Standard Oil and from Burmah-Shell Companies. The quantity imported rose from 24,441,987 litres in 1335 to 64,571,320 litres in 1338. The price charged all over the country is uniform and fixed at a low level in comparison with many other countries at Af 4.5 per litre. It is Government policy to keep costs of freight reasonable. All storage and distribution facilities, including gasoline stations, are run by the Government Monopolies as a public service. Large reservoir tanks for the storage of gasoline, diesel oil and aviation fuel have been constructed under the First Plan and have added substantially to the storage capacity within the country.

Automotive Repair Shops

50. Before the First Plan was adopted, practically all automotive repair work was done in small ill-equipped and ill-staffed individual shops, without proper facilities for major repair work. In accordance with the Plan, three important modern automotive workshops are to be constructed. Two of the these are located in Kabul and the third is in Qandahar. One has been completed.

51. The Jangalak plant at Kabul was completed on schedule with Russian assistance and was officially inaugurated on July 2nd, 1960, as stated elsewhere in this Survey. Its automobile workshop can repair about 1,400 four-ton trucks per year. For more information see Chapter II on Industry.

52. No doubt these workshops, together with other similar but smaller institutions, will make a valuable contribution by providing on the-job training for hundreds of of Afghans. A substantial number has already been trained in this way. In addition, a great deal of training in automotive repairing and maintenance is going on at road building sites.

The Afghan Motor Service cooperated with the United States Government in the building of an exstensive workshop installation called Zendabanan (Kabul). It is expected that construction will be completed during 1960. The capacity of this plant is expected to be 500 four-ton trucks per year.

53. The Government Monopolies and ICA are cooperating in the building of a motor repair shop in Qandahar. In addition to the workshop, a truck assembly plant is being built on the same tract. Tools and machines to equip the assembly plant and the workshops have been ordered. It is expected that construction will be completed in December, 1960. The capacity of this plant is 500 four-ton trucks per year.

54. The common practice in Afghanistan has been for truck chassis to be imported without bodywork. The all metal bodies which will be installed in this and the other two workshops will no doubt be of higher strength and durability. It is hoped that the three workshops mentioned above, together with many smaller workshops, will reduce the overall cost of transportation substantially.

Spare Parts

55. The question of spare parts has been a vexing one in the past. The Government Monopolies and other institutions as well as private concerns have been importing spare parts on a large scale. Since these quantities, large as they were, could not meet the total requirements of the country, it was decided that each car or truck imported by a private concern had to be accompanied with spare parts valued at 10 per cent of the total value of the vehicle. For some time this procedure proved effective, being simple and easy to enforce. However, this method had some disadvantages. Sometimes it led to the tying up of certain sums in unneeded parts. Some parts stockpiled in oversupply. A shortage of others developed. As a result of these and other factors, in the past, some part of the commercial fleet was often out of service for want of the correct spare parts.

56. As more trained personnel has become available for maintenance work, as training improves and as vehicle records are more correctly maintained, a systematic approach to importing and stockpiling of spare parts is being introduced. The Government Monopolies has imported substantial quantities of spare parts which are catalogued and kept in an orderly fashion for immediate use. A saving has also been effected by purchasing large quantities on a consignment basis. Substantial quantities are also imported by private concerns. Thus the situation has been radically changed. When all three above-mentioned workshops are functioning the position will have improved beyond recognition .

V - Administration

57. In the course of this chapter, frequent reference has already been made to the Highway Department in the Ministry of Public Works, the Central Transport Department and the Traffic Departments of Kabul and the provinces. Some details will now be given on the administrative responsibilities and the plans of these agencies. Besides its responsibility in building dams, irrigation works and public buildings, the Ministry of Public Work is in charge of road and airport construction and maintenance. The Highway Department in the Ministry has the responsibility of coordinating the various facets of the road construction program. These facets include planning, surveying, financing, labour,

mechanical equipment, raw materials and finally supervision of the maintenance program. In addition, the Department cooperates with other Government agencies and also with ICA and the U.S.S.R. technical assistance teams.

58. The General Transport Department was established in 1956. It was given various responsibilities at that time and many more are envisaged for the future. It is responsible for regulating transport and transit affairs. It has also the responsibility for making continuing research studies to determine the country's transport needs. It levies a five percent commission which is divided equally between truck owners and the shipper or the receiver of freight. This commission is not charged on trips within cities or within a twenty-mile radius of cities. It sees that truck owners buy and and keep log books which are handed in annually.

59. Efforts are being made to improve the department's organisation in order to speed up its work. The Department is considering the encouragement of the use of more diversified and specialised types of trucks and their importation by the Government Monopolies.

Sponsoring better customs procedures in conjunction with the Ministry of Commerce is also being considered. Possibilities for better storage and warehousing facilities to prevent loss and damage are being studied in cooperation with the new Marketing Department of the Ministry of Commerce. All of these matters are of considerable consequence in raising the export value of fresh fruits and vegetables and other perishables which constitute a considerable part of the total value of export trade.

60. Traffic Departments are attached to the Municipalities of the capital and various cities in the provinces. These have responsibilities including the collection of statistics on accidents, motor vehicle registration, other matters related to drivers and policing traffic. Great improvement has recently been noticeable in the traffic police services in cities. Quite a number of police officers have been abroad for training. Traffic lights have been introduced in Kabul. Improved police boxes have been introduced. The asphalted highways will no doubt encourage dangerous speeding and it probably will be necessary to introduce speed limits in the coming years.

61. Further studies are being carried out on maximum loads and the introduction of uniform weights and measures. There is a particular need for studies on rate-fixing. At present only trucks owned and operated by Government agencies are subject to firm rates for freight and passengers. Scheduled services and scheduled rates for public companies would be a great improvement. It is hoped that studies will be undertaken resulting in uniform rates and time schedules being publicized and enforced throughout the country.

Conclusion

62. When roads are improved their capacity will be increased substantially. The modernized roads will also, in many cases, double the speed of travel, reduce breakdowns, increase truck and car life, reduce depreciation, lower cost per ton-kilometre, lower petrol consumption, reduce breakage and damage to freight and encourage investment in larger and more specialised commercial vehicles.

2- *AIR TRANSPORT*

I- The Need for Development

63. Although the improved road system will allow for high speed traffic and largely solve the problem of impassibility at times of heavy snows or floods, surface transportation alone cannot serve all Afghanistan's present and future needs. Air routes are deemed essential to assure contact with all parts within the country and with the rest of the world. By the establishment and development of an efficient airways system including an adequate number of all-weather airports and all the services that accompany such development, for example meteorology and training institutions, reliable and speedy air transport is being assured.

64. There are many other specific reasons for these developments. Substantial savings can be effected in foreign exchange. Some major export items, such as karakul skins, casings and certain fruits are valuable and light enough to be exported by air. Freshness, good condition and speedy delivery command higher prices for such commodities. Many lightweight imports such as cloth and clothing of synthetics, or fragile articles and equipment such as radios or spare parts not yet produced in Afghanistan, come in by air. In the past, development projects were sometimes delayed for months by the urgent need for a small part for electronic or mechanical equipment. Such urgent orders are now always called for and brought in by air. When a project runs into technical difficulties it is not possible to rush in an extra specialist technician at very short notice. Air mail has developed rapidly along with the national airline. Personal travel and contact has greatly increased within the country over domestic airroutes. Officials are now able to have much closer contacts with the people. Government leaders are now able to visit and inspect development projects in the far-flung provinces frequently and with a very significant saving of time. Thanks to air transport, Afghanistan has become a compact geographical and economic unit in close contact with all parts of the world.

II- Historical Background

65. There were some early attempts to establish regular air services to, from and within Afghanistan, but lack

of capital, the extreme ruggedness of the terrain and difficult weather conditions forced their discontination. In those days airports and navigational aids were quite insufficient for major foreign airlines to commence regular air service. It was not until 1332 (1953) that the first regular air connection was begun by foreign airlines. Permission was given to use the airstrips at Kabul and at Qandahar.

66. In 1333 (January 1955) the Government was able to fulfil a long cherished goal of establishing a national airline. It was named Ariana Afghan Airlines Company Limited. In 1334, operations began on a small scale using two DC 3 aircraft rented from the Indamer Corporation which had made an attempt to operate regular services. In 1335 (June, 1956) an agreement was signed with the United States Government for assistance with development of the Airline under which it was planned that through ICA, a grant of 9.56 million dollars would be expended.Out of the grant, 2.21million dollars was earmarked for airline management, training and technical assistance and participant training in the United States. Later on in January 1960, an additional sum of 2,611,500 dollars was earmarked to continue this program through June 30, 1962. To this part, Af 10 million and PR 5 million were contributed by the Government. Five million dollars of loan funds were earmarked by the Government for air development of which 3.2 million dollars were for the purchase and modification of aircraft and 1.8 million dollars were for importing commodities for the Qandahar International Airport.

67. In 1336 (April, 1957), arrangements were concluded with Pan American Airways (PAA) to purchase 49 per cent or 14,700 shares of the Ariana's issued and paid-up share capital of 300,000 dollars. These shares were formerly held by Indamer Corporation. The contract also provided for financial and technical assistance for three years. Twenty-five PAA technicians were first assigned on a contract basis to assist Ariana. They gave both managerial and technical services and also engaged in training the personnel of the national airline. There is a repurchase contract with the Government on the 49 per cent ownership by PAA. An equitable stock and management agreement between PAA and Ariana was signed on April 17,1957.

68. Further engineering studies, carried out in 1958, indicated that Ariana's traffic potential was higher than had been anticipated. Subsequently a new agreement was reached with ICA and signed in May, 1959. This included additional financing by both Governments and brought the total envisaged under all air projects involving US aid, to a total of 1,863,000 dollars in the from of grants and 5,000,000 dollars as a loan. However, more than this amount had already been appropriated by the end of 1959. The unevenness of annual expenditures is, no doubt, due to the purchase of aircraft in 1956 and in 1959. The five main goals of the project are the development of the Qandahar International Airport, of Ariana Airline, of domestic airports, of an Afghan airways system and finally of organisation of and training in the Department of Civil Aviation.

Obligations for the Air Development Program

	In Dollars
1956	14,560,000
1957	79,000
1958	482,000
1959	11,536,000
Total	26,657,000

Source: ICA, Progress Report, January, 1960,Kabul.

III - Airports

69. All airports in the country have been carefully located in the centre of those regions that have the highest economic importance and potentiality. They are also located to give connections with places which may be difficult to reach during winter due to road impassibility. By the end of 1338 (March, 1960) there were six airports regularly in operation, excluding Qandahar International and Bagram. No services were then scheduled for Jalalabad airport.

70. The following table gives names, dates of opening and completion of improvements, and also the numbers of landings effected during the three years 1336 to 1338 for all Afghan civil airports.

Civil airport	Opening Date (Solar)	Completion of Improvement Date (Solar)	Number of landings 1336 (57/58)	1337 (58/59)	1338 (59/60)
Kabul (Khoja Rawash)		6.1340	1,322	1,384	1,280
Kandahar National		1339	1,181	1,200	1,025
Qandahar International	3.1339	6.1340			
Herat	3.1334	6.1339	91	98	89
Maimana	5.1336		22	56	41
Mazar-i-Sharif	3.1334	6.1341	239	200	245
Kunduz	7.1334	6.1339	189	168	193
Jalalabad		6.1339			
		Total	3,144	3,106	2,873

Source: Afghan Air Authority, Kabul.

71. It can be clearly seen that Kabul has to date the largest share of the traffic with almost 45 percent in 1338. This is to be expected as it is both the capital and the major city of the country. It was closely followed by Qandahar (National) which had 36 percent of landings in 1338. Kabul and Qandahar are the only two airports which were receiving international traffic by the end of 1338. From early 1339 (mid-1960) onwards, Qandahar National Airport will receive only domestic traffic as Qandahar International was opened in June of that year.

72. It is surprising that the total numbers of landings tended to drop, particularly in view of the perceptible increases in passenger and freight traffic. One explanation is that larger aircraft were being used on some flights. In Kabul, this decrease was no doubt mainly due to the fact that the condition of the landing strips was deteriorating and often became waterlogged towards the end of 1338. Some flights were diverted to Jalalabad when the weather was particularly severe. Quite a number of official flights came and went from the airport at Bagram.

73. The total air traffic development expenditures during the First Five-Year plan will amount to more than Af 5 billion. Expenditures on airport improvement will take about 15 per cent of this amount. The following table gives the estimated cost of airport development in Afghanis.

Airport Development Expenditures

Civil Airports		Estimated cost of improvement (In Afghanis)
Qandahar International		407,405,000
Kabul (Khoja Rawash)		43,000,000
Herat Kunduz Jalalabad Mazar-i-Sharif Maimana	-- All five.	242,769,000
Equipment for all seven airports.		51,359,000
Total		744,533,000

Sources: Ariana Afghan Airlines Co., and the 1960 Survey of Progress, Volume I (Ministry of Planning).

A- Kabul Airport

74. In 1957, the Soviet Government undertook to develop the civil airport for Kabul at Khoja Rawash about 8 kilometres from the centre of Kabul. This airport will be capable of receiving and servicing some of the medium jets currently in commercial use. The airport at Kabul will cost more than Af 500 million out of which about one third will be in Afghanis. It will have a concrete runway of 2,800 metres in length. Construction of the runway started in May 1960 and is expected to be completed by December, 1960. It is hoped the runway can be used before the onset of snow in the coming winter (1960/61). The new Kabul airport will have new and modern terminal facilities. It is hoped that these can be completed by the end of the First Plan (September, 1961). The rebuilding of the runways involves a considerable problem of drainage. Large quantities of stone have to be blasted from a neighbouring mountain to form a solid base for the runways. Valuable assistance is being received from the U.S.S.R Government in building this important airport.

B. Qandahar International Airport

75. Work on the airport began in Sunbula, 1336 (September, 1957). The Afghan Air Authority, ICA and Morrison Knudsen Co. are all participating in building it. The runway is 3,200 metres long. There are 300 metre over-runs at each end of it. There is a taxiway of 3,200 metres also which interconnects with the runway by three high-speed turnoffs of the very latest design. The materials used are being continually tested to meet the very high specifications required for modern jet aircraft.

76. The single hangar is so large, 50 by 75 metres, that it can accommodate the largest commercial jets for servicing. It was designed so that it can also be used during the initial year of operation until all other buildings are complete, for offices, training classrooms, and workshops, as well as giving temporary passenger facilities. All rooms are well-lit and air-conditioned. A highway 9 kilometres in length connects with the Spinbaldak road south of Qandahar. All other roads connecting the various buildings have been completed.

77. A beacon mast and a modern very high-frequency navigational aid were installed. These integrate the airport with world-wide civil aviation networks. The night-lighting system is now complete.

78. Construction is to begin on the remaining buildings. The most important of these is the international terminal. In addition, others are needed on the transmitter site and for the communications centre. A fire-fighting station and transient medical facilities are planned. Forty houses, a warehouse for air freight, a water distribution system, a generator and power house, sewage disposal system, and finally a storm drainage system will be constructed.

C. Other domestic airports

79. Surveys for the airports at Herat, Mazar, Maimana, Jalalabad, Kunduz and Lashkargah have been completed. Some of these airports are now under construction.

80. Over the past three years, a number of new installations were completed for the Qandahar National Airport including a control tower, three transmitting masts, a 150 foot non-directional beacon mast and several receiving antennas. Maintenance shops, offices, warehouses, improved passenger handling facilities, and supporting buildings are now all in operation.

81. A control tower, 3 transmitting masts, a beacon mast and receiving antennas are being installed at Herat airport. The terminal building has been completed. A fire-fighting building was finished and equipment therefor ordered. A well is being drilled and cased. Runways and taxiways are now to be surfaced. Parking aprons and a lighting system are to be constructed. Ninety per cent of the installation of communications and navigation equipment is completed.

82. The terminal building of the Jalalabad airport is nearing completion. Preparations have been made for the installation of a 150 foot beacon. Fuel tank installations and access roads are being prepared in addition to all the other essential facilities for a modern airport.

83. All modern facilities are also planned for Kunduz airport. The permanent runway has not yet been built. The buildings are now under construction. The communications-navigation facilities are to be completed, including a 150 foot non-directional beacon.

84. The sites are being prepared for all the necessary buildings of the Mazar-i-Sharif airport. Plumbing and electrical fittings have been ordered. As soon as the Afghan Air Authority has completed the terminal buildings and control towers the communications and navigation equipment will be installed by ICA.

85. Plans have been drawn for a small airfield in Lashkargah about 90 miles from Qandahar. This is mainly intended to serve the Helmand Valley Authority which has its headquarters in this town. Construction work is about to be commencd.

86. In addition to the above, ten enroute stations for emergency landings have been sited and staked out. Each will have a small communications station, some buildings and an electricity installation. The construction of the first two at Jabelseraj and at Farah has already started. An airstrip has already been surveyed at Baghlan to serve Kataghan.

IV- A Progressive Airways System

87. Civil aviation development in Afghanistan is the responsibility of the Afghan Air Authority. From the modest beginning in 1334 (1955) with two DC 3's, the fleet of Ariana Airlines Company has increased so that now one DC 6, one DC 4 and 4 DC 3's are operating, in addition to two trainer aircraft. The DC 6 was put into operation at the time of the pilgrimage to Mecca of the 1960 season (1339). It arrived in Kabul on May 8th and the first flight to Jeddah was on May 10th. In a period of only seven days, 844 persons were flown there.

88. The DC 6 normally carries 95 passengers. It is equipped with all modern amenities. It is fully pressurised. It can fly over the mountains in all weathers. It can normally carry 12 tons of freight, with a full load of passengers, but with less than all seats sold, freight can be increased. Then the total gross weight can be 107,030 pounds. It is hoped that another DC 6 will be in operation by the time the next pilgrimage season comes around.

89. The four DC 3's were all completely overhauled and redecorated in 1958/59. All Ariana aircraft are specially equipped with cargo doors to encourage the use of air-freight services. A substantial part of the cargo carried by Ariana is bulk cargo. Of this the most important items are karakul and casings. These have a high value per weight unit. Therefore the freight cost is a relatively small percentage of the total value. Approximately 75 per cent of karakul exports are now carried by air according to the Afghan Air Authority. There would seem to be room for an increase in the air export of other commodities such as fresh fruits and fine carpets. This will need planned coordination of air-traffic.

90. As the smaller improved domestic airports come into use, there should certainly be a considerable increase in the air freight for exports and imports. So far, these airports have not been able to receive any aircraft larger or heavier than a DC 3 on their grass or packed-earth runways. As the DC 3's are still considered to be very fine 'workhorses' for remoter areas, they are likely to be kept in use for some years. They have proved easy to maintain. Repair facilities and spare parts will continue to be available.

91. However, the larger planes now coming into service do have certain advantages. Their greater capacity for both passengers and freight effects savings because the unit cost of operation is certainly lower. Larger planes do, of course, require hard-surfaced runways. These are also likely to be put out of service by rain and snowfall. Thus flight regularity will be improved further. The hard surfaced runways result in less wear and tear on the aircraft which will effect substantial economies in both time and money.

92. All the domestic routes are served by Ariana only, at specially low fares. Present services comprise regular flights from Qandahar and Kabul to Kunduz, Mazar, Maimana and Herat. Ariana is also operating rapidly expanding international lines. These now serve Amritsar, Delhi, Karachi, Teheran, Damascus, Beirut, Bahrein, Jeddah, Ankara, Prague and Frankfurt. The weekly service to Turkey, Czechoslovakia and Germany started on September 9th, 1959. Air agreements have been signed with all the countries served and some others to which it is hoped to arrange future services. These include Belgium (August, 1959), Yugoslavia (January, 1960), Austria (February 1960) and the Netherlands. The latest agreement with the United Arab Republic envisages a service to Cairo. Damascus is already served on the flight to Beirut. Ariana has special agents in Amritsar, Delhi, Bahrein,

Damascus, Beirut, Karachi and Teheran besides the many offices in Afghan cities.

93. Discussions have been held with the British Overseas Airways Corporation with a view to arranging flights to Qandahar International airport on the way to and from Delhi and Teheran, because the new airport at Qandahar provides a shorter route between Europe and the Far East.

94. Aeroflot, the Russian airline, has three flights a week from Kabul to Tashkent and vice versa. Large turbo-prop aircraft are to be used shortly on this run. Indian Airlines offers weekly flights to and from Delhi. Iranian Airlines now has one weekly flight to and from Qandahar. Up to 1336, the Royal Dutch airline, KLM, was flying regularly to Qandahar and Kabul but by 1337 this service was replaced by Ariana. Similarly, the once-weekly flight to Karachi by Ariana has been found adequate and thus Pakistan Airlines ceased services to Afghanistan as from 1338 (1959/60). The operations of Ariana compared with those of Iranian, Indian and Pakistan Airlines to and from Afghanistan are detailed below.

Passengers and Cargo carried to and from Afghanistan.

	Airline Passengers carried			Cargo in ton kilometres(××)		
(×)	1957	1958	1959	1957	1958	1959
Iranian	778	550	264	36,010	46,299	27,297
Indian	1,867	1888	605	110,994	74,024	59,370
Pakistan	105	745	324	9,652	47,381	20,415
Ariana	25,544	39,116	39,116(.)	3,290,759	3,785,327	4,300,000(.)

(×) Solar years for Ariana-1336 to 1338

(××) Ariana cargo is in ton miles. (.) Estimates.

Sources: Afghan Air Authority and Ariana Airlines.

95. The table above does not include KLM which was operating in 1957 and part of 1958. It also omits figures for Aeroflot. The final figures for Ariana for the first six months of 1338 were 21,166 passengers and 794,034 kilograms of cargo, and for the next three months of that year, 14,582 passengers and 777,773 kilograms of cargo. As can be seen from the table above, 95 per cent of the passenger traffic carried by the airlines mentioned as well as the major part of the freight, was carried by Ariana. The number of passengers carried by Ariana increased by 72 per cent between 1336 and 1338. Its freight traffic increased over the same period by about 30 percent.

96. Another measure of the success of Ariana may be found in the figures for operation revenue shown below.

Ariana Revenue
(In Afghanis)

Year	Total revenue	Index (1334 is 100)
1334 (1955/56)	30,002,702	100
1335 (1956/57)	35,797,183	119
1336 (1957/58)	70,038,331	233
1337 (1958/59)	77,425,046	258
1338 (1959/60)	101,490,720	338

Source: Ariana Airline, Kabul.

97. The figure for 1338 is an estimate made on June, 30th, i.e. after only three months of 1338 had elapsed. It is particularly striking that Ariana's revenue actually doubled in one year between 1335 and 1336. The total investment in the development of Ariana is estimated at 290 million Afghanis durng the period of the First Five Year Plan. Of this amount, Af 270 million is in U.S. Dollars. the following indicators show Ariana's startling overall growth between 1335 and 1337. Total aircraft hours flown increased by 49 percent, cargo carried (in tonmiles) by 260% and passengers by 25%, gross revenue by 116% and operating profit by 192%. These few figures represent a graphic picture of a rapidly expanding airline.

V- Meteorology

98. Meteorological services are an essential adjunct to air operations. These have not been neglected. The Royal Afghan Meteorological Institute, known as RAMI, was established in 1955. For the first few years, the experts provided for this Institute by the World Meteorological Organisation, concentrated on demonstrating the use of the equipment and in training Afghans in meteorological forecasting, climatology and aerology as well as in the use of instruments. The next stage was the establishment of a network of meteorological stations throughout the country. The first trained Afghan forecasters are now manning these stations.

99. In 1960, three new stations have been established so far, one for Nangarhar province, one at Farah, and one at Lashkargah and construction has started at Jabelseraj. Improvements have been made in the weather

forecasting station at Qandahar. On February 17th, 1960, the first radio sonde system was put into operation at the RAMI building in Darulaman (Kabul). A pilot balloon, carrying sonde equipment, is sent up fifteen or sixteen kilometres. From that height, it transmits data about atmospheric pressure, humidity and temperature. This is an exceptionally important system of weather forecasting for aircraft and airline operations. Other radio sonde stations are planned to be set up, as personnel and equipment become available.

VI - Training

100. The Department of Meteorology set up a special course which has now been joined to the aviation course at Yakatoot (Kabul). Meteorological training falls into four parts. Weather forecasting is for high level students who are already graduates of the Science Faculty at Kabul University. The duration of the course is one year. Some of the best graduates are sent abroad for further training. The Afghan Air Authority is now arranging for new equipment for this course. The second course is in radio sonde techniques. The third is a technician's course which gives instruction in the use and repair of meteorological instruments. High school graduates are accepted for this course. A few graduates have been sent abroad and some of them have already returned to work in meteorological stations and workshops. The fourth is known as the observers' course and covers the use of equipment for observing weather conditions.

101. The fifteen air specialists assigned under agreement with ICA are working largely in the field of training. They are preparing training manuals of many kinds both in English and Farsi. These cover air traffic control, air tower control, airport operation, rules of the air, aircraft certification and many other subjects designed to allow for controlled and reliable air operations.

102. There are three main training centres for civil aviation in Afghanistan at present. The largest and newest is in Qandahar and is run by the Afghan Air Authority. The major portion of the new building for the centre has been completed. Work on the remainder is continuing. Dormitories for 300 students are being constructed. The centre is situated on the old Qandahar airfield. The school has been renamed the Afghan Flying School, (AFS). It will eventually be able to accommodate 400 students. It was officially opened in 1959. Thirty five foreign technicians came to assist with the installation and interim operation and maintenance of the valuable communications and navigation equipment. They are also assisting with classroom and on-the-job training of students. Three hundred students are being trained for airport operation and work on control towers and communications at airports.

103. There are three categories of students in the Afghan Flying School: radio technicians, radio operators and traffic controllers. The radio technicians' course lasts for two years. If teleprinter and radar training are introduced, as expected, the course will be extended to two and a half years.

104. Three hundred students have been admitted to the Intermediate Examination. Out of these, 195 students had started trade training, and they would complete their course by the spring of 1961 or early 1962. The remaining 105 students have passed the English Language Course and they are expected to graduate in 1962. Some of the outstanding students will be chosen each year for further training abroad.

105. Ten students who have returned from the United States, are assisting the instructors at the Afghan Flying School. Eight more are now being trained in the United States. All these students received their basic training at the Afghan Institute of Technology as did the other personnel who are manning the airways facilities today.

106. Secondly, the Afghan Institute of Technology in Kabul has special courses for the 11th and 12th grades in its department of aviation. Upon graduation, students may be accepted for further training at the centre located on Kabul Civil Airport at Khoja Rawash. So far, the ICAO team has trained 53 radio operators, 9 air traffic controllers and 14 diesel mechanics. At present, 36 radio maintenance mechanics and 16 diesel and auto mechanics are under training. The Aviation Program at the Afghan Institute of Technology is supervised by ICAO instructors.

107. The third course, for training i.e., the Junior Aviation School, is now at Darulaman. This centre was established three years ago and is now under the Ministry of Education's supervision. There are about 90 students in this school. Among the subjects taught are specialised aviation and aeronautics. After three years of study the students join the Operational Training Centre. ICAO has in the past sponsored this School.

108. After 1962, all training of the Afghan Air Authority will be concentrated at the Operational Training Centre. A new building has almost been completed for this purpose.

109. Training is being given to airline and airport personnel on a lower but very important level. Storekeepers, ticket sales staff, reservation clerks, switchboard operators, stewardesses typists, statistical clerks and accountants are now being given intensive courses and practical training in their respective fields of specialisation. At higher levels, flight management personnel are understudying foreign specialists.

110. Finally, at one of the highest levels of responsibility, the crews themselves receive further training. An all Afghan crew flew for the first time in January.1960 from Qandahar to Herat. The first Afghan flight commander was appointed as an Ariana flight captain in 1959. One complete crew of six men was sent to the United States as trainees for the first DC 6. Four of them received pilot training and the other two took aircraft engineering. Five co-pilots completed basic training in 1959. Pilot and aircrew training wil be a continuing process. Much of the progress to date was initated by the first Civil Aviation Adviser of ICAO.

Conclusion

111. Air services in Afghanistan are developing by leaps and bounds. Their importance and value for future development are immeasurable. Already, great benefits have accrued from improvements made and many more are to be expected. Ariana is forging ahead with new planes and new routes in view. Consignees of air freight are having to line up for space. There are frequently passengers waiting for the next Ariana plane and unable to get space. Quite often extra income is derived from special charter flights which are frequent. Passengers are learning to trust this new airline which is a member of the International Air Transport Association and which is under the wing of an experienced major world airline - Pan American Airways. Airports are being developed just as fast as funds, personnel and equipment become available. There is a feeling of urgency in the air. Delays are no longer countenanced as inevitable. By the end of the Second Five Year Plan, Afghanistan should have a fully modernized air system to her credit.

CHAPTER IV

COMMUNICATIONS

Review of Recent Developments and Prospects.

Introduction

1. The development of communications plays a vital role in the progress of any country. In Afghanistan, the development of communications has a doubly important role. As road and air transport are being brought up to modern standards, as explained in the preceding chapter, telecommunications must bear a heavier burden than if the other means of contact were more fully developed. Thus side by side with the new roads and airports, telephones and telegraph lines, postal services and radio broadcasting must march forward. All four are vital. Trade and industry can prosper only if cables and telephone calls cross ocean, mountain and desert barriers and airmail hastens correspondence. The advantages of modern telecommunications media are widespread in the economic, social and cultural fields.

2. In this chapter four main topics will be covered: postal, telephone, telegraph and radio services. As this is the first year that a communications chapter appears in the analytical review part of this Survey, a brief historical sketch is added to each section. After this historical sketch, recent progress and achievements, especially during 1338, will be reviewed. This progress will be compared with that of 1337. The prospects for the current year, 1339, will then be examined and sometimes long-term considerations will also be discussed Wherever possible, difficulties and problems encountered and the ways being devised to overcome these, will be briefly reviewed.

I - Postal Services

Historical Background

3. The first postal service started in 1870 during the reign of Amir Sheer Ali. A post-office was opened in Kabul and in each provincial capital. The earliest stamps were of circular design with a lion's head. The values were one sanaar and one shahi. During the reign of Amir Abdul Rahman, in 1892, postal services became more regular and better organised. New oblong stamps were introduced bearing the national coat of arms. They were printed in black ink on many different colours of tissue paper. The values were expressed in abbasis and rupees: three abbasis equalling one rupee. Thirty six varieties of stamps from this period are recognised by stamp collectors. Mail was delivered by armed carriers on horseback.

4. In 1908, during the reign of Amir Habibullah, many more post offices were opened. The first vertical style stamps were issued on stronger paper. Postcards, parcel post and official stamps for government mail, were introduced. Postmarks began to be dated.

5. After the war of indepence, in 1919, postal services were put under the Ministry of Interior. A Directorate-General of Post, Telegraphs and Telephones was established for the first time. Post office buses, the famous Afghan mail buses, were introduced in 1925. Stamp values in Pouls and Afghanis were introduced for the first time in 1927.

6. After the civil war in 1930, the post, telegraph and telephone department became a separate presidency. Afghanistan joined the International Postal Union at this time. Many interesting stamps were printed; airmail was introduced and border post offices were opened at many points.

7. In 1934, the presidency expanded again to become the Ministry of Communications. A Directorate-General of Communications was established in each province in 1947. The postal service was made into a separate department of the central Ministry. A special office took over the sale of postage stamps and the formation of a postal

museum. Parcel post arrangements and special agreements on air mail also have been made with many other countries.

Post Offices

8. It will be seen from the table below that the total number of post offices in the country has actually changed little over the period covered. In actual fact the number of post offices has gone down since the beginning of the Plan in mid-1335 by one. However, changes have taken place in the type of post offices. The number of airport and frontier, central and city post offices, remained unchanged between 1333 and 1338. The numbers of provincial and rural post offices, however, changed. While the former decreased the latter increased as shown in the table below.

9. It is to be assumed that the changing of post offices from provincial to rural means their upgrading. In all cases it would appear from the funds spent and records kept that new buildings were constructed or completed refurbished.

Post Offices

	Provincial	Central and city	Rural	Airports and Frontier	Total
1333	268	43	25	9	345
1334	268	43	23	9	343
1335	268	43	23	9	343
1336	241	43	50	9	343
1337	212	43	78	9	342
1338	178	43	112	9	342

Source: Ministry of Communications, Kabul.

10. The Plan envisaged the building of 22 entirely new buildings. Of these, fourteen have been erected and four more are under way. The most important of the latter group is Kabul Central Office which is scheduled for completion by September, 1961, the end of the First Plan.

11. The total weight of letters, newspapers and other printed material transported within Afghanistan and to other countries exceeded 650,000 kilograms in 1338. The following table will show that the volume of postal services including letters, post cards, newspapers, parcels, documents and samples, by both ordinary and registered mail, by surface and by air, increased about 14% during the first four years of the Plan.

Activities of Post Offices in Afghanistan

	Letters	Post cards	Newspapers	Parcels	Documents	Samples	Total
1333	2,280,105	12,120	336,360	4,745	29,077	405	2,662,812
1334	2,216,842	12,082	353,349	2,476	2,506	499	2,587,754
1335	2,428,530	1,653	262,841	3,247	2,189	461	2,698,921
1336	2,630,265	3,272	342,727	5,363	2,097	1,162	2,984,886
1337	2,418,399	1,746	317,129	4,289	1,734	513	2,743,810
1338	2,714,252	7,555	377,737	2,898	1,334	2,643	3,106,419

Source: The Ministry of Communications, Kabul.

12. Income from postal services other than from sale of stamps increased from Af 150,103 in 1333 to Af 1,329,197 in 1338, almost a nine-fold increase in five years. For more details see communications table (4) in the Appendix.

13. Fifty new varieties of stamps of attractive design have been printed and put into circulation since the beginning of the Plan. The average value of stamps sold is about one Afghani and their number in 1338 was nearly three and half million. The following table provides a comparison between the number of stamps sold and the income received therefrom between 1333 and 1338. More details are given in the Statistical Appendix.

Year	No. of stamps sold	Income in Afghanis
1333	3,233,289	2,688,767
1334	3,057,675	2,132,180
1335	3,361,012	2,455,474
1336	3,295,016	2,468,399
1337	3,184,640	3,036,800
1338	3,433,262	3,581,397

Source: Ministry of Communications, Kabul.

14. It is interesting to note that for the first time in 1338 the value was greater than the number sold. This probably indicates greater use of both foreign and domestic airmail. Certain postal rates were changed as from the beginning of 1339. Some were increased but others decreased. On the whole, income from the sale of stamps in 1339 is expected to be substantially higher than in 1338.

15. Where there are motorable roads, mail distribution is undertaken by the Ministry's Afghan Mail Buses or in some cases, under private contracts. In areas where there are no motorable roads, mail is distributed by mail carriers on horseback or on foot. It is expected that under the Second Plan, motor vehicles will be introduced for services in twenty new locations.

16. The number of employees in the postal services has increased from 328 in 1334 to 396 in 1338. The increase was regular until 1337 as shown in the table below. In 1338, a sudden inarease occurred.

Postal Employees

	1334	1335	1336	1337	1338
Kabul Province	83	87	94	91	92
Other provinces	245	263	273	275	304
Whole country	328	350	367	366	396

This number is still insufficient. It is hoped that more and better workers can be recruited.

17. It is hoped that under the Second Plan, machinery can be bought for printing stamps within the country. Up till now, this has been costing the country considerable amounts of foreign exchange. Efforts are being made to seek new markets abroad for the sale of Afghan stamps for philatelists. Certain agents have been contacted with success. Many other countries, some very small, such as Monaco for example, make a very substantial part of their public revenue from the well - managed production and sale of their stamps to collectors the world over. This source of foreign exchange is now within Afghanistan's grasp. It is hoped that this potentially lucrative and culturally advantageous source will be further exploited in the years to come.

18. It is also hoped that under the Second Plan, 118 new postal buildings and 152 post offices will be established. Mail boxes, which are now being installed in Kabul for the first time, will be tried out in other cities. The Ministry has already imported new scales, seals and mailbags for all post offices improved under the First Plan. In addition to the present post boxes at post offices, 600 new boxes are expected to be installed in the new buildings envisaged.

II - Telegraph Services

Historical Developments

19. The first telegraph equipment introduced into Afghanistan consisted of a mobile unit used between Kabul and Paghman and between Kabul and Jebelseraj by Amir Habibullah. Immediately after the war of Independence in 1919, a 100 watt wireless cable system was installed.Some students were specially trained in India to operate this system. An extension of telegraph cables from Kabul to Torkham and from Kabul to Qandahar and thence to Farah, Herat and Kushk, was installed. As more students were trained abroad in the science of telegraphy further units were imported and installed.

20. By 1927 a new telegraph service from Kabul to Mazar had come into operation. In the same year, the School of Telegraphy was established in the country. In 1928, Afghanistan joined the International Cable Union. In 1935, new units were installed at Kabul, Herat, Mazar, Maimana. Daizangi and Khost and regular cable services were started all over the country.

21. In 1956, modern units were imported for Kabul, Herat, Qandahar, Nangarhar, Pul-i-Khumri and Kunduz. These were installed in 1957. Some mobile units have been put into operation in the provinces. Most telegraph units are operated using the high speed morse system with sounders and keys. The main transmitting centre at Kabul uses three kinds of transmitters. In the provinces, there were nine low-powered transmitters at the beginning of the Plan.This makes a total of 12 telegraph circuits for national traffic. Distant stations such as Herat, Mazar, Qandahar, Khost, Tashkarghan and Maimana are worked on wireless telegraphy from Kabul.

22. International services are almost entirely operated by wireless. The transmitting station is at Yakatoot, 5 k.m. north of the Central Telegraph Office located in Kabul's main post office. The receiving station is at Mehtab-Qala, 8 k.m. west of this office. Wireless telegraphy is worked between Kabul and the same stations listed under radio-telephony and shown on the diagram in the Statistical Appendix.

23. During the four years of the Plan, 19 new transmitters of various capacities have been installed. This has multiplied the number of receivers in operation in the whole country by three. Last year, 30 new teleprinter units were imported. When these are installed and in operation, the present capacity of the telegraph system will be increased three-fold once again. They will be used in conjunction with the new channel system to be discussed below. Its operation should further increase the capacity for telegraphic messages. Teleprinters are unsuitable for use with the present wiring. Five new subsidiary telegraph offices have been established during the past year in Sheendan, Shiberghan, Qizil Qala, Ghorat and Talukan.

24. During 1337-1339, four units of 200 watt capacity for radio telephony and telegraphy were imported from Czechoslovakia. Two sets were installed in Kabul, one in Qizil Qala and one is to be installed in Farah after its generator arrives from abroad.

25. Two sets of single side-band transmitters, one of 20 kw and the other of 2 kw, were installed. Single-side transmitters of 3 kw to 5 kw capacity have been ordered and are expected soon. An order has been placed with a French supplier for spare parts.

26. During the period under review, income from telegraphic services has increased substantially from Af 6.9 million in 1335 to Af 11.0 million in 1338. A summarised table showing the position from 1334 to 1338 is given below:

Number of Telegrams Exchanged and Income Received
(in thousands)

	1334	1335	1336	1337	1338
Number					
Incoming	405	446	466	375	231
Outgoing	420	444	363	254	202
(in thousands of Afghanis)					
Income					
Official	1,477	1,748	1,628	1,985	2,678
Private	5,462	6,688	6,387	7,467	8,276
Total Income	6,939	8,436	8,015	9,452	10 954

Source: Ministry of Communications, Kabul.

27. Income during the four years of the Plan increased by about 38 percent. The increase in income for 1338 over 1337 was 12 percent. The explanation is that the average number of words per telegram has increased. The second explanation is that international and internal radio-telephony was greatly expanded from 1337 and therfore a very large number of messages were sent in this way rather than by cable or by telegram.

Income from Cables Exchanged·

	(In thousands of Dollars)	(Equivalent in thousands of Afs)
1334	49.2	1,507
1335	57.7	1,865
1336	61.5	1,989
1337	32.3	1,044
1338	30.1	972

Source: Ministry of Communications, Kabul.

28. It can be seen that the amounts received decreased substantially in 1337 and again in 1338, as is to be expected in view of the information revealed in the previous table. The explanation of a possible switch to radio-telephony instead of cables is probably the reason.

29. The technical personnel employed in telegraph offices has increased by about one third since 1334 as can be seen from the table below:

Technical Personnel of Telegraph Offices

	Kabul Province	Other Provinces	Total
1334	45	84	129
1335	52	86	138
1336	52	96	148
1337	77	96	173
1338	76	95	171

Source: Ministry of Communications, Kabul.

III - Telephone Services

Historical Sketch

30. The first operational telephone unit of 25 lines was installed in Kabul five years after Amir Habibullah had spoken over the first telephone improvised in Afghanistan. This was just a length of copper wire stretched between the palace, the house of His Majesty's brother and the police headquarters. Later a line was extended between Kabul and Jalalabad. This was the the first inter-city connection .

31. During the reign of Amir Amanullah, a 50-line unit was installed in Kabul and lines were extended to Paktia, Qandahar, Farah and Mazar provinces. At the same time, all Government departments were connected by telephones. In 1933, a new 120-line cable telephone was put into operation with a number of switchboards in various locations. No great change took place until 1957 .

32. The Kabul automatic exchange was put into use in June 1957 with 1,500 working connections being made at that time. Provision was made for an additional 3,500 lines, bringing the total to 5,000. The building is spacious and designed to accommodate all the equipment and personnel needed for full operation. It is airconditioned, mainly against dust and is heated in winter. Around the building all cables are underground. It also accommodates the trunk exchange and storage space for carrier equipment such as poles and wire. The equipment used is Siemens Fl step-by-step system. This automatic exchange has been working well for three years and the number of lines has been expanded twice since its establishment.

33. Service in Kabul is very satisfactory. Billing and collection of charges are being improved. Service in case of repair is also being improved to obviate the necessity for some telephone subscribers to do makeshift repairs on their lines and apparatus. It is no longer difficult to get a new telephone and the waiting list is now negligible. The cost of buying a new telephone is about Af 1,200 and the monthly rental is 45 Afghanis .

34. At the beginning of the First Plan, there were single line iron telephone circuits of 5.3 mm wire extending from Kabul to Bulola, Pul-i-Khumri and Mazar; a similar one from Kabul to Ghazni and from Ghazni to Qandahar. From Qandahar a double line runs to Farah. From Farah to Herat and from Herat to Mazar via Andkhoy there is a single iron wire completing the country wide ring of the trunk circuit. A double copper line runs from Kabul to Torkham. A double iron line circuit extends from Qandahar to Spinbaldak. There is a single iron wire line from Farah to Chakansur.

35. At present, a manual telephone exchange of 200 lines is operating in Qandahar. The work on the building of the new automatic exchange is in progress. The cost

is estimated at Af 16.3 million. Some equipment has arrived from abroad. The new installation will have a capacity of 3,000 lines of which 1,500 will be put into operation at the initial stage. It is hoped that this will take place by September, 1961. The survey work for establishing automatic telephone exchanges of 1,500 lines each at Herat and Mazar, has been completed. The necessary equipment is to be purchased under the Second Plan.

36. Apart from the new channel system lines which will be dealt with in detail below, the Ministry, working through the Provincial Communications Directorates, has rewired 300 kilometres of the old single iron wire stretches with double copper wire during the past year.

37. The main telephone lines are being adapted to the channel system as will be dicussed below. This involves changing the single iron wires into double copper wires. This is naturally being done before the channel system goes into operation in the provinces. The main benefits of the new wiring will not be felt until the channel system is in full operation. Expenditure on trunk circuits between zone centres is necessarily very high and time-consuming. As in all other development fields, the limiting factors are men, technical know-how and materials.

38. Domestic trunk calls for private subscribers are usually restricted to the hours of 9.a.m. to 1 p.m. and 4 p.m. to 7 p.m. A subscriber who wishes to make trunk calls from a private number has to deposit Af 2,000 and replenish it when finished. Up to now most domestic trunk calls are by radio-telephone. Such installations operate between Kabul, Pul-i-Khumri, Qandahar, Maimana, Kunduz, Jalalabad and Mazar. There are 12 circuits for domestic traffic. As regards international trunk calls, these are all by wireless. Until the Five-Year Plan was under way, there was no means of making international calls. The diagram in the Appendix shows existing radio telephone services to Tashkent, Moscow, London, Paris, Teheran, New York via Tangier, Karachi, Peshawar and Bombay. Services to other European cities are routed via Paris and to other American cities via New York. Fees charged are based on international standards and agreements. Proposed extensions are to Tokyo, Rome, Munich and Calcutta. There are two existing lines to Bombay and two to Peshawar. There are now three radio telephone circuits for international purposes.

39. Expenditure on new international net works is inevitably very high. The number of and receipts from wireless telephone calls in the three years 1336 to 1338 are given in the table below. Details can be seen in the Statistical Appendix.

Number of and Receipts from Wireless Telephone Calls

	1336	1337	1338
Number Incoming	4,171	11,685	15,724
Number Outgoing	4,071	12,182	19,394
Income in Afghanis	66,204	469,077	665,363

Source: Ministry of Communication and 'Survey of Progress' for 1959, Volume III.

40. There was a very great increase in wireless telephone calls in 1337 and 1338. It can be seen from the figures above that the numbers of incoming and outgoing calls each almost tripled between 1336 and 1337. This represents approximately a six-fold increase in the use of radiotelephony and resulted in about a seven-fold increase in income. There was further development of the service in 1338 but the increases over 1337 were not as great as in the introductory year of the new services. The rise in the number of calls, both incoming and outgoing was about one third. This resulted in an increase in income in 1338 over that of 1337 of about 40 per cent.

41. The increase in the numbers of switchboards and lines available over the years 1334 to 1338 based on Table (7) of the communications tables in the Statistical Appendix, is shown in the following brief table:

Switchboards and Main Lines

	1334	1335	1336	1337	1338
Number of switchboards	163	163	192	195	219
Number of lines available	2,325	2,325	7,659	7,785	24,336

Source: Ministry of Communications, Kabul.

42. It can be seen that the number of switchboards started to increase from 163 with the beginning of the First Plan in 1335 (September 1956) and rose steadily to reach 219 at the end of 1338 (March 1960).

43. Certain large agencies have started to use internal switchboards and extensions within their own buildings. The Health Institute of Kabul Universty at Aliabad has a new 100-line exchange within its buildings. The Ministry of Commerce and Da Afghanistan Bank are two more examples. The new building of the civil aviation administration, the Afghan Air Authority, will also have an internal switchboard. New switchboards in the provinces which have gone into operation in the first four months of 1339 include one at Batikot, Nangarhar, a second for Baghlan, Kataghan, another at Gulbahar, Parwan and one at Ahmadkhail Jaji, Paktia Province.

44. The number of lines available rose much more steeply because the switchboards were of greatly increased size and large enough to allow for future expansion for some years to come. The more than ten-fold increase in the number of lines available by the end of three and

half years of the Plan is a truly significant indicator of progress in the commuications field. The people have at last become telephone conscious and the demand for telephones is fast increasing as can be seen in the following table:

Number of Telephones in Operation

	1334	1335	1336	1337	1338
Private	1,353	1,432	2,246	2,867	3,366
Official	1,449	1,449	1,592	1,756	1,706
Services	263	255	190	200	207
Total	3,065	3,136	3,928	4,823	5,309

Source: Telephone Department, Ministry of Communications.

45. Since the beginning of the Plan numbers of telephones began to rise rapidly by 500 to 900 per year. The number of telephones in use in the country can be seen to have increased by about 70 per cent during the period under review. The most rapid increase in the number of telephones in Afghanistan came in 1336 when the new telephone exchange in Kabul was opened. Many subscribers were on the waiting list at that time. Six months after the beginning of the First Plan, at the end of 1336, more than 25 per cent increase had taken place over the previous year. The following year, the increase was nearly as great, about 23 percent. Last year, however, the increase was only about 9 percent.

46. It is interesting to note that the growth in the number of telephones in Asia varies between 7 and 15 percent per annum. It has been reckoned that under the communications plans of Asian countries the number of telephones can be doubled in six years. This requires an overall increase throughout Asia of 15 per cent per annum. However, if approximately 6,200 telephones are in operation in Afghanistan by the end of the First Plan, this would mean that the number of telephones had been doubled in the five years of the First Plan. This would constitute an admirable record and an example to other countries. It is hoped that the Qandahar switchboard will come into operation in time to make this probability a reality

47. A summary table of the income derived from telephone services is given below. More details are given in Part III of this Survey.

Income from Telephone Services

(In Afghanis)

Type of Service	1334	1335	1336	1337	1338
Private	605,977	669,700	1,200,649	1,347,532	1,582,088
Trunk	1,040,579	1,067,145	1,087,412	1,057,872	1,135,301
Official	795,384	816,402	930,107	827,799	842,061
Sale of Telephones.	218,980	490,057	1,806,488	1,194,468	1,195,176
Repairs	26,163	52,200	109,237	87,685	121,559
Total	2,687,083	3,095,504	5,133,893	4,515,356	4,876,185

Source: Telephone Department, Ministry of Communications.

48. The striking increase in income in 1336 ties in with the increase in the number of telephones noted above. The very large receipts from the sale of new telephones was due to the new lines in Kabul and the large number of new switchboards installed in the provinces. A total of 29 new switchboards in 1336 alone, resulted in the provision of 5,334 new lines.

49. The increase in telephone services has required the employment of additional technical personnel. Since 1334 this increase amounted to exactly one hundred persons or an increase of approximately 25 percent as can be seen from the brief table below. More details are provided in the Statistical Appendix of this Survey.

Telephone Technical Personnel

	1334	1335	1336	13337	1338
Kabul Province	97	111	140	140	139
Other provinces	311	338	372	372	369
Total:	408	449	512	512	508

Source: Ministry of Communications.

50. It is noticeable that in the peak period of new installations in 1336 and 1337 there were substantially more personnel than there were in the preceding two years. The number has declined very slightly in 1338. Presumably the number will continue to increase steadily but at a slower rate in the years to come.

51. Even the smallest administrative units in the remote areas now have telephone connections. This greatly increases security and safety in the rural areas. Many emergencies can be dealt with speedily.

IV-The Channel System

52. Before the beginning of the Plan various experts proposed various schemes for improved telephone and telegraph services in Afghanistan. Among these were the laying of underground sheathed cables. These have been the preferred vehicle in many countries because there is less damage than to overhead wiring and less interference

with poles and wire in remote areas. However, it is very difficult both to locate and to repair damage to underground cables, particularly in bad weather in mountainous terrain.

53. The wise decision taken before the adoption of the First Plan was that major efforts and funds should be directed towards an overall improvement of the lines in existence. This meant the continued use of poles and overhead wires, except in the immediate vicinity of communications buildings where underground cables were to be installed.

54. At present, the provinces are linked, as described above, chiefly by single-iron wires which can handle just two messages at a time, one telegraphic and one telephone call. In order to modernize the overhead line system, it is necessary to introduce double-copper wires and on all the main lines to utilize a channel system.

55. The lines to be reconstructed for channel systems under the First Plan, totalled initially about 1,300 kilometres. This has now been increased to a total of about 1,800 including approximately 1,500 kilometres of the great 'inner circle': Kabul back to Kabul via Qandahar, Herat, and Mazar. This will leave the stretch of about 800 kilometres from Farah to Herat and from Herat to Mazar to be tackled under the Second Plan. The lines follow the road system at most points but will probably use the old route to the North, not the Salang road.

56. In addition to the inner circle sections, the two existing lines to the border from Kabul to Torkham (230 k.m.) and from Qandahar to Spinbaldak (110 k.m.) are included in the change-over to channel system by September, 1961. The first estimate, in the Plan, of the cost of the 1,300 kilometres then envisaged, was Af 30.5 million with an additional 1.3 million dollars for poles. The table below shows distances, estimated costs and the percentage completed of the four sections under construction:

Channel System Under the First Plan

Line	Approximate distances	Estimated Cost in Afghanis (millions)		Approximate per cent spent
		Initial	Revised	
1. Qandahar-Girishk-Farah	400	29.2×	32.4×	32
2. Kabul-Jalalabad-Torkham	230	16.5	18.4	47
3. Kabul-Qandahar-Spinbaldak	630	18.6	22.3××	75×××
4. Kabul-Pul-i-Khumri - Mazar	600	11.7		
	1,860	76.0	73.1	

× These estimates are for the whole distance to Herat of 600 km.

×× This figure needs checking and dividing. In any case it does not include Qandahar-Spinbaldak section.

××× It is probably true that 95 percent of channel system number 3 is complete and about 55 percent of number 4. These are, however, very rough estimates.

57. The channel system now being installed is a three-channel type. Actually three telephone conversations and six telegraph messages can be sent at once. There are no individual strands of wire to carry the various calls but each is carried on a different frequency. An extra telephone circuit is to be added to the system later to increase the capacity to four telephone and six telegraphic communications at the same time. Thus a single line under the new channel system will be able to do the work of five of the original single lines. It is hoped that all the planned channel installations could be completed by September 1961, the end of the First Plan and on schedule.

58. The Ministry has organised three technical groups which are sent out on location as needed. The Provincial Communications Directorates also have the use of detachments of the labour corps, mentioned in the previous chapter. Some details of each channel system are given below.

A. Qandahar - Girishk - Herat:

59. Although planning, surveying, and equipment ordering began in the first year of the Plan, actual installation commenced at the end of December, 1959. By February, 16th, 1960, twenty-two kilometres; by March 14th, 50 kilometres; by May 20th, 80 kilometres were installed. Work was stopped for the summer with 83 kilometres completed at a time when the line was getting near to Girishk. Work will be resumed as soon as the weather conditions permit. The section from Qandahar to Farah, about 400 kilometres, is to be completed by September 1961, if possible. The remaining 200 kilometres are budgeted under the Second Plan. The equipment for the section to Farah has all been imported.

B. Kabul - Jalalabad - Torkham:

60. About half of the allocations budgeted has been spent so far. This line is considered to be almost half completed. More equipment has been ordered from abroad and is awaited. Work started on the Jalalabad Torkham part in June 1960.

C. Kabul - Qandahar - Spinbaldak:

61. The 110 kilometres from Qandahar to Spinbaldak were commenced in December 1959 and finished after three months, that is, in March 1960. The distance from Qandahar to Kabul of 520 kilometres has also now been completely rewired. Its completion was announced in May. The work started in the second year of the Plan and took two years to complete because of the difficulty of the terrain, the condition of the road and periods of bad weather. The new double line is already being partially used pending the completion of repeater stations at Ghazni and Qalat and the terminal building in Kabul. Despite the fact that the building is not complete, the indoor installation of the wiring and equipment is. It is also complete at Spinbaldak, Qandahar, and Mukur. The buildings are complete in Ghazni and Qalat but a team of experts is working at these two locations on the installation of the repeater stations. When these are complete the line will go into full operation.

D. Kabul-Pul-i-Khumri-Mazar:

62. This route is divided into three parts from the point of view of the work force being used. The first labour section is being used from Kabul to Ghorband. The work has now gone beyond Charikar and is proceeding north. The detachment of the labour corps based at Pul-i-Khumri is divided into two groups, one is working south towards Samangan and the other north towards Baghlan. The first pole was put in for these two sections on May 3rd, 1960 and the work to the north is progressing rapidly into Kataghan province. The total distance to be covered from Kabul to Mazar has been reckoned to be 597 kilometres. All the equipment has been ordered and some has already arrived. There is to be one repeater station at Bulola.

63. There is a tendency in many countries to turn to microwave radio relay systems which need no lines, on the grounds of improved performance and economy. Probably such a system can eventually be introduced for Afghanistan's main trunk routes. Rapid strides are being made in the development of new types of communications systems. In a few years, when Afghanistan is ready to invest in an entirely new system, there will probably be various new devices in wide use to choose from.

V - Radio Service

History

64. The first radio broadcasting and receiving set was introduced and put into operation in 1925. Some earphones, batteries and loudspeakers were imported and by 1928 the number of sets in use was estimated at 1,000.

65. The increased popularity of radio listening encouraged the ordering by the Government of a 20-kw medium wave length station in 1936. Its installation was completed in 1939 and it began operating in 1940. Additional loudspeakers and receiving sets were also imported. The Government broadcasting service was given the name 'Radio Kabul' and was at first under the Ministry of Communications, but later under the Press Department. Imports and further developments were drastically curtailed owing to the Second World War.

66. In 1334 (1955/56) arrangements were made to import two shortwave transmitters. Thus the voice of Radio Kabul could be heard in the remotest corners within the country and far beyond the borders of Afghanistan. Even before these were installed, a one-hour shortwave service began to be broadcast nightly on the transmitter of the Ministry. A smaller short-wave transmitter of 10 kw was installed with the necessary transformers, round aerial and heavy cables. It was put into use in the new building of Radio Kabul in Yakatoot near Kabul in Sunbula 1337 (September1958). In Sunbula, 1338 (September 1959) the 50-kw transmitter was installed with the two needed sets of diesel electric generators of 71 and 315 kw capacity. The transmitter is now working regularly. The shortwave services have now been increased to ten hours per day. The 50-kw transmitter broadcasts for seven and a half hours in the evening and the 10-kw for 2 hours at noon and one half hour in the evening. This set has a large round aerial and four other special aerials beamed at Europe, South Africa, Japan and Indonesia.

67. Radio Kabul buildings are now almost complete except for some of the electrical work and other minor fixtures. The stadium buildings, including offices, stores and dwellings for technical personnel and the broadcasting building including the studios and the technical equipment, are all completed. A modern guard room to protect the transmitters is planned for this year (1339). The total area of the site is 85 jiribs (42 acres). It is hoped that everything will be in good order and complete by the end of 1339 (March, 1961).

68. The original 20 kw medium - wave transmitter is now in need of repair and its power is reduced to about 12 kw. This makes its capacity smaller than that of the normal radio reciving sets in use and limits

its usefulness. It works on the frequency of 660 and 454.5 kilocycles. Some spare parts have been located but there is difficulty in procuring all that are needed. It will eventually have to be replaced by a new and probably more powerful, medium - wave transmitter of the latest design.

69. News broadcasts are now given in seven languages i,e., Pashto, Farsi, Baluchi, Urdu, English, Arabic and French. In addition, there are plans to commence broadcasting in Russian in the near future. The services are divided into various categories which are shown in detail in the Communications tables in the Appendix. A summary of changes in some of the services over the past few years is given below:

Weekly Services of Radio Kabul (In Hours and Minutes)

	News	Music	Drama	Educational	Arabic	Urdu	English
1330	6.04	23.21	—	3.15	—	2.20	1.45
1335	4.56	25.00	—	2.18	—	2.20	1.45
1336	5.41	23.03	0.30	1.36	—	2.20	1.45
1337	4.49	24.36	0.30	2.45	2.20	2.20	2.20
1338	7.49	24.02	0.20	3.34	3.30	3.30	3.30

70. Individual owners of radio receivers are not required to have licenses but the Government is able to collect an alternative form of revenue through import duties. It can be seen from the summarised figures below that the number of radios imported in 1338 according to the permits issued, was double the number in the previous year. Further details are given in the Communications tables in the Appendix.

Number of Radios Imported

1333	1,219	1336	7,896
1334	2,175	1337	7,120
1335	2,739	1338	14,358

71. The Goverment's income from radios is derived mainly from the import permits mentioned above, license fees collected from traders and some fines. In addition, a small number of loudspeakers are rented. The figures for 1333 to 1338 are given below.

Income from Radio Rentals License Fees and Fines in Afghanis

	Rentals of Radio Equipment	Licenses and Fines	Total
1333	2,354	17,300	19,654
1334	2,950	26,600	29,550
1335	6,050	53,400	59,450
1336	6,416	56,050	62,466
1337	5,050	75,853	80,903
1338	7,595	152,600	160,195

72. As is to be expected, the income approximately doubled in 1338 over 1337 corresponding to the doubling of radio receiver imports. During the years 1337-38 fifteen amplifiers and twenty loudspeakers were imported by the Ministry. Twelve generators for use with some of these were also imported. Some of the loudspeakers have already been installed in provincial centres. Others are awaiting installation. So far, only 19 loudspeakers for public use have been installed.

73. An entirely new form of telecommunication has just been introduced into the country this year. A telephoto machine is now being used for commercial purposes to provide illustrations for magazines and newspapers.

CHAPTER V

PUBLIC HEALTH

Review of Recent Developments and Immediate Prospects

I- Introduction

1. During 1338 (1959/ 90),the services and activities of the Ministry of Public Health were gradually expanded. These services and activities continued to play an important part in the health development of the country. By arranging for the training of required categories of personnel both in Afghanistan and abroad and by its construction program, the Minstry of Public Health continued its efforts to overcome most of its difficulties. A maximum effort was also made against the most important diseases of malaria and smallpox which are of great public health importance in Afghanistan. If not checked, these diseases would cause great economic loss to the country.

2. Progress also continued in the development of the Institute of Public Health which, when completed, will play an important role in the precise determination of the public health problems and needs of the country. During the year there was also very close collaboration with the Faculty of Medicine. Plans were made for the utilisation of some of the service institutions operated by the Ministry as expanded training areas for the growing numbers of medical students. This close collaboration also extended into the field of nursing. A joint Ministry of Public Health and Faculty of Medicine Committee was established as a Nursing Affairs Committee to standardise and improve the nursing services of the country. Overall progress over a wide range is reported below in some detail.

II- Training

3. By agreement with the Ministry of Education, the Ministry of Public Health undertakes the training of certain categories of para-medical and auxiliary medical workers. These are laboratory technicians, laboratory assistants, X-ray technicians, midwives, auxiliary nurse-midwives, sanitarians, compounders, vaccinators, assistant dental doctors and the various types of workers required for the malaria eradication campaign. Apart from these formal courses of instruction in-service training continued to be given for nurses in the female hospitals at Qandahar and Herat. Orientation and training of the doctors, midwives, sanitarians, compounders and vaccinators assigned to work in the new Rural Development project areas were carried out in the Rural Health Unit at Shewaki near Kabul. A two-week post-graduate course on smallpox eradication was held for medical officers. Some thirty participants attended this course.

4. Thirteen laboratory technicians graduated in 1338 (1959/ 60) following the completion of the two-year course. A further fourteen are expected to graduate in 1339 (1960/ 61). Six laboratory assistants entered the third year of their studies and twice that number entered the second year. Training was carried out at the Central Public Health Laboratory where two girls were also trained as microscopists for the Malaria Institute. They are the first girls to be employed in this type of work.

5. In view of the increasing number of X-Ray installations in Afghanistan, it became necessary to supply competent personnel for their maintenance and operation. The number of such installations has increased from 5 in 1332 (1953/ 54) to 11 in 1338 as indicated in the first Health table in the Statistical Appendix. A course for 11 X-Ray technicians who will have two and a half years of instruction, was therefore, started in 1338 in the Ibn-Sina Hospital under the direction of a foreign radiologist.

6. The course for midwives is conducted at the Sharrah Maternity Hospital and lasts for 27 months of which the last six are spent in internship at the hospital following the the previous 21 months of theoretical and practical training. Sixteen students completed their theoretical training and two further groups, totalling another twenty-five, were also receiving instruction.

Thirty graduate midwives were employed in the hospital as novices and twelve more were employed in the ante-natal clinics and in the domiciliary service. The total number of fully qualfied midwives has gone up from 26 in 1332 to 90 in 1338 as can be seen from the third Health table, in the Appendix.

A group of six auxiliary nurse-midwives also completed the theoretical part of their training in the Shararah Hospital and returned for their 6 months in-service training in the Rural Health Unit. Their graduation in 1338, following a total period of training of two and a half years, marked the qualification of this category of auxiliary service for the first time in Afghanistan. Their services are urgently needed for the proper development and expansion of rural health services. The work of the auxiliary nurse-midwives is supervised by fully qualified midwives of whom four were posted to the health service of the Rural Development Department on a permanent basis during the year.

7. During 1338 nineteen sanitarians graduated following the completion of their two and a half years course. They also have a period of six months in-service training following two years of theoretical work in the School for Sanitarians which occupied temporary premises during the year while awaiting an eventual transfer to the Institute of Public Health when that building is completed. A total of 56 student sanitarians continued their studies in 1339.

8. The Ministry of Public Health continued to train compounders over a three-year course during 1338 as it is unlikely that the Faculty of Pharmacology will have sufficent graduates during the next few years to fill the available vacancies. Twenty-six students completed the course and graduated in 1338. Fifty-seven students were studying to be compounders at the the beginning of 1339. Most of them i.e., fifty, were in the first two years of study and only seven entered the final year. The lectures are given in classrooms at the Ministry of Public Health and practical instruction is carried out by arrangement with the Aliabad Hospital in Kabul.

9. The training of vaccinators was intensified in view of the decision taken to attempt to eradicate smallpox from Afghanistan within a period of five years. Eleven male and three female students were given an intensified four-week course at the Vaccine Institute. Another 20 were recruited for training of whom 6 were girls in 1339. The reported number of vaccinators has increased slightly from 35 in 1332 to 39 in 1338 (See Table Health-2 in the Appendix). In addition to the special course held on Smallpox Eradication in the summer of 1338, standardised teaching procedures were devised so that provincial chief medical officers can train some of the vaccinators required.

10. Thus a rush course was inaugurated in the fall of 1338 for training smallpox vaccinators in Nangarhar province. Thirty-nine trainees were recruited from the 6th and 7th grades and finished their training under the Chief Medical Officer of the Nangarhar province. At present, they are performing their duties in Ghazni and Parwan provinces. Another course for 20 trainees took place under the Chief Medical Officer of Qandahar province. Graduates of this course are now practicing their profession in both Qandahar and Kabul provinces. The total number performing vaccination against smallpox in 1338 was 107.

11. The training of assistant dental doctors in the Dental Institute continued to take a period of four years of which the last year is spent in internship in the Institute. There were seven such interns in 1338. These are the last of the graduates who commenced their studies before the break in taking in new students which occured in 1336. There was thus no third-year class in 1338 but there were 15 students of whom 7 were girls in the first year and 6 in the second year. The total number of assistant dentists employed by the Ministry in 1338 was 12 as compared with 5 in 1332.

12. Training of malaria inspectors was undertaken at at the Malaria Institute, Kabul and also, for the first time in 1338, in the provincial malaria laboratories of Nangarhar, Kataghan and Girishk. Seventy-five additional malaria inspectors were given training after the close of last years' spraying operations and fifty-three were under training at the end of the year.

13. Although no health education workers as such have been trained the Health Education Division (Ministry of Public Health) participated in most of the teaching courses inculcating the principles of health education and of practical work to the students of the various courses.

14. In addition to the training carried out in Afghanistan in 1338 the Ministry of Public Health secured a total of twenty-three fellowships in eleven different subjects. The fields in which fellowships were awarded were malaria (9), entomology (1), midwifery (1), radiology (3),statistics(2), public health administration (epidemiology) (1), preventive and social medicine (1), sanitation (1), maternal and child health (1), gynaecology and obstetrics (1) and bacteriology (2). Four of the fellowships were for two years and eight for one year. Seventeen of the fellowships were arranged through the World Health Organisation and the remaining six under bilateral agreements. During the same period, eleven former fellows returned having studied the following subjects: malaria (5), laboratory techniques (3), sanitation (1), pediatrics (1) and anatomy (1).

15. It is important to note also the training carried out in the Rural Health Unit, although this training was usually complementary to that carried out elsewhere. The

Rural Health Unit serves as the training area for rural conditions for medical students, mid-wives and sanitarians as well as for auxiliary nurse-midwives. Guidance on health and sanitation matters was given to various workers in the program totalling nearly 150 i.e. fundamental education organisers (18), village workers (30), industrial cooperative workers (11), various subject matter specialists (45) and refresher in-service instruction to other village workers (45). In-service training at the Rural Health Unit forms an integral part of the training of sanitarians, midwives and auxiliary nurse-midwives. In addition, medical students were given orientation in Rural Health Units in groups of four for two weeks duration. It is planned to extend this period of training to four weeks in 1339.

16. The intensive training programs of the Ministry of Public Health were designed to combat the shortage of trained personnel in the categories described above. Difficulties were experienced, and are expected to be encountered in the future, due to the relative difficulty of finding candidates of the required educational levels. This is inevitable under the conditions prevailing when technicians are required for training in all the fields which are being opened up by an expanding economy. Progress in training of the required para-medical and auxiliary personnel was regarded, however, as being satisfactory in 1338. These personnel are essential for the implementation of the Ministry of Public Health's plans for future expansion.

17. It is expected that the Institute of Public Health, now under construction, will make a valuable contribution to the knowledge necessary for the determination of the needs of Afghanistan in the various categories of personnel requirements. Apart from its function of direct training the Institute will have research responsibilities to ascertain the relative incidence and importance of the various diseases about which there have been no reliable statistics so far. It is planned to have a strong epidemiological division to guide and direct the studies to be made. With the provision of advanced laboratory services and an improved statistical service, accurate scientific work will become possible. It is proposed to install the School for Sanitarians in the Institute of Public Health and to give instruction in health education therein. Training in advanced laboratory techniques will also be possible.

18. The present stage of construction is that the basement and three other storeys of the main building are complete although not in a finalised state. The roof has been constructed although windows have not yet been put into position. The heating and plumbing fixtures were delivered at the end of 1338 and should be installed soon. The auditorium frame work was commenced at the end of the year (March, 1960). The total completed was about fifty percent at the end of the year. It is expected that the building will be finished by the end of the First Five Year Plan (September, 1961).

19. The budget for 1337/38 for the Institute of Public Health and the 100-bed hospital under construction in the same area, was Af 13,127,889, a figure of nearly Af 3,000,000 more than the total of the two preceding fiscal years. The budget for 1338/39 is Af 23,099,062 which is half the allocation of Af 46,586,657 for the preceding four-year period. This shows the increased tempo of construction activities.

III-Preventive Medicine

20. In 1338, there was an intensification of the efforts of the Ministry against the important diseases of malaria, smallpox, typhus and tuberculosis, all of which were attacked on a massive scale

21. During the 1338 malaria eradication campaign, 2,270,000 persons in Kataghan, Nangarhar, Paktia, Qandahar, Kabul, Girishk, Mazar-i-Sharif, and Herat provinces were protected against mosquito vectors of the disease. An additional 435,000 persons in the cities of Kabul, Qandahar and Pul-i-Khumri were protected by anti-larval methods using a locally prepared emulsion of DDT, technical eromex and soap as well as Paris Green. Nine doctors, two entomologists and 132 malaria inspectors were employed in this program in 1338.

22. The large-scale malaria surveys undertaken by five national malaria survey teams in previously unsprayed areas showed that nearly one million additional persons also required protection and plans were made to expand the program to give complete coverage in 1339. The data collected by the malaria survey teams allowed a rather complete malaria map of Afghanistan to be prepared. More detailed malaria maps for each part of the country were begun to be prepared in each provincial malaria laboratory. The anti-malaria work done in 1338 gave a more precise definition of the problem than was formerly possible. The fact that the vector is still susceptible to DDT, as shown by detailed entomological tests, is of the greatest importance.

23. The campaign against smallpox was carried out vigorously, the number of persons vaccinated increasing from 561,858 in 1337 to 999,417 in 1338. In addition to this number, approximately 24,000 persons were inoculated against smallpox under the Rural Development project. (See Table Health-6 in the Statistical Appendix). This mass vaccination was undertaken following preliminary surveys by smallpox teams operating in the Logar Valley and in Nangarhar. The geographical factors of inaccessibility of remote valleys and of extremes of temperature make the conservation of potency of the vaccine lymph extremely difficult and plans were made to obtain frozen dried vaccine for use in a pilot area in 1339. In the 1338

campaign more than 80 vaccinators were employed but it is estimated that upwards of 260 will ultimately be required for this work if it is to be completed within the five year period of the First Plan. However, thanks to this intensified effort of vaccination, the cases of smallpox treated in hospitals declined from 1,242 in 1332 to 440 in 1338 as can be seen in table Health-4 in the Appendix.

24. The anti-typhus campaign was extended to cover an additional 1,700,000 persons, the total coverage in 1338 being 4,000,000. DDT continued to be effective, although in view of the entomological findings of modified resistance to DDT in some places, the precaution of using an alternative insecticide in the Kabul area (BHC), was taken. Only 41 cases of typhus were reported during the year. The number treated in hospitals in 1338 was 41 as compared with 61 in 1332. (See table Health-4 in the Statistical Appendix).

25. The work of the Tuberculosis Institute in the diagnosis, prevention and treatment of tuberculosis also increased during 1338. All those attending for radiography were Mantoux tested also, the number increasing from 16,996 in 1337 to 23,636 in 1338. The number of BCG vaccinations of Mantoux negative reactors increased similarly from 2,123 in 1337 to 7,395 in 1338. This is separate from the Mantoux testing program undertaken in Kabul schools in cooperation with the School Health Services where 21,597 additional tests were made and many more BCG vaccinations carried out. The number of tuberculosis patients receiving treatment with INH under supervision in their homes increased to approximately 350 during the year. The provision of such domiciliary treatment is of the greatest importance in preventing the spread of the disease although strict supervision of the taking of the drugs supplied is an essential and not always easy undertaking. Hospital treatment also expanded during 1338, increasing from some 400 cases in 1337 to 523 in 1338. About 6,000 expectant mothers attended the ante-natal clinics of whom nearly 200 required to be delivered in hospital because of some abnormality detected. Nearly 1,500 more had normal deliveries in hospital.

26. Of the other main communicable diseases of public health importance in Afghanistan leprosy and trachoma are amongst the more significant. No mass attack was possible on these diseases due to the non-availability of specially-trained personnel in the numbers required. Arrangements were put in hand for sending doctors abroad during 1339 to study modern methods of the control and treatment of these diseases.

IV - Medical Care Facilities

27. During 1338 there was some improvement in regard to the availability of facilities for medical care although much still remained to be done in this respect. There was an increase in hospital bed provision from 885 in 1337 to 1,005 in 1338, roughly a 15% increase. However, if this total number, including those in Aliabad Hospital, is taken into consideration the number of beds increased from 1,558 in 1337 to 1,709 in 1338 as shown in table Health-1 in the Appendix. This was achieved within existing buildings but new provision is also being made by the construction of the 100-bed general hospital in Kabul (planned for ultimate expansion to 300 beds) and the alterations in the Ibn Sina hospital in Kabul to provide 60 extra general beds plus an additional 10 beds to be operated on model lines. Increases in the provision of hospital beds occurred as noted above in Herat, Kataghan, Paktia, Maimana, Parwan, Ghazni, Logar, Dezarghi and Paghman so that the effort was on a nation-wide scale.

28. The Kabul General Hospital and the Ibn Sina hospital were nearly 80% completed by the end of 1338. They both will be opened in the near future. Progress was also made during the year on the construction of the new female hospital in Mazar-i-Sharif and on the new women's hospital in Qandahar. The hospital in Mazar-i-Sharif should be in full operation by the end of 1339. The building of Logar Hospital that was not completed in 1338 will be finished in 1339. The annex of Parwan Hospital was completed in 1338. Eighty percent of the construction work of the Qandahar Maternity Hospital was also completed during the year.

29. The provision of buildings alone does not suffice for a hospital. Consequently in 1339 arrangements for adequate water supplies by installing electric pumps were made in the male and female hospitals of Ghazni, Maimana, Mazar-i-Sharif and Parwan as well as in the female hospital in Qandahar and the new hospital at Ibn Sina. Modern and mechanized laundry and kitchens were installed in the capitals of the provinces. Generators were installed in Ghazni, Maimana and Mazar-i-Sharif to supply electric power for hospital facilities. During 1338, X-Ray units were installed in Ghazni and Maimana. In addition, new X-Ray units were established in Mazar-i-Sharif and Parwan provinces. These will be put into use during 1339. The Khost X-Ray unit, together with its laboratories, has been procured and will be installed after the necessary building for them is constructed.

30. The Ministry of Public Health also continued to operate eight medical laboratories in the provinces working in cooperation with the main Central Public Health Laboratory in Kabul. All the necessary equiment for Kabul province laborarories were completed. New laboratories for Maimana, Parwan and Farah towns were established. Equipment for an additionai ten laboratories has already been procured. The number of exami-

nations carried out in the Central Public Health Laboratory increased from 13,333 in 1337 to 13,934 in 1338, an increase of nearly 5 percent. Mobile medical care units to supply services to the more remote areas were operated in Qataghan, Mazar-i-Sharif, Herat, Qandahar, Nangarhar and Paktia.

31. Associated with the medical care facilities are the maternal and child health clinics and ante-natal clinics which functioned also in Qataghan, Mazar-i-Sharif, Herat, Qandahar, Ghazni, Nangahar and Paktia. During 1338, the Ministry equipped and opened 3 such clinics in Qandahar, Herat and Mazar-i-Sharif provinces for the treatment of children. There were five such clinics operating also in Kabul. Polyclinics were associated with the working of all the hospitals for outpatient attendance.

32. The Tuberculosis Institute continued to function as planned and minor structural alterations permitted a more effective working operation by supplying more convenient waiting room accommodation. Laundry and dining arrangements were also improved. An attempt was made to start a Central Tuberculosis Register so that a more accurate idea of the number of actual cases of tuberculosis might be obtained. At present, the same case may be seen at different times by private practitioners, the polyclinics of the Faculty of Medicine as well as by the Tuberculosis Institute. The probability of multiple reporting of the same case exists. Although desirable, it has been found very difficult to make such a register as notifications from sources other than the Tuberculosis Centre itself have been very irregular. The work of prevention by health education, by BCG vacination and by strict domiciliary supervision of known cases has already been mentioned in this review.

33. The Vaccine Production Institute in Kabul increased its production of smallpox vaccine in 1338 to cope with the increased requirements of the smallpox eradication program. The amount produced was 2,242,700 doses. Required structural alterations for the improved stabling of calves and for the general expansion of work were undertaken. The production of other vaccines remained, as for 1337, adequate for requirements. As much as 293,500 cc's of typhoid-paratyphoid vaccine, 92,235 cc's of cholera vaccine and 32,560 cc's of anti-rabies vaccine were produced. All these products conform to international standards and are independently tested.

34. The increased work reported above in all fields was accomplished with a very small increase in professional personnel, 687 being employed in 1338 as compared with 662 in 1337 in the Ministry. The number of doctors employed increased from 166 in 1336 to 193 in 1338 as indicated in table Health-1 in the Appendix. These numbers include those of the Ministry and of Aliabad Hospital. If professional personnel in both the Ministry and Aliabad Hospital is considered the number would be 950 and 975 for 1337 and 1338 respectively as shown in table Health-2 in the Appendix.

V-Health Education

35. The Ministry of Public Health continued its efforts for the health education of the public in a number of ways. Films on health were shown in villages, articles were written for publication in the press, radio broadcasts on health matters were made, pamphlets and other instructional material were prepared on many subjects and a special booklet on smallpox eradication was prepared. Another new venture was the printing of 4,000 copies of a health calendar with an illustrated health text appropriate to each month.

36. Of special importance in 1339 was the holding of the first ever Health Education Conference in Afghanistan. This conference was participated in by leading medical and teaching personnel and by religious and civic leaders. Voluntary organisations and international agencies also cooperated in this successful conference.

37. The Health Education Division of the Ministry of Public Health was able to work more efficiently in 1338 due to the arrival of duplicating material, artists supplies, a projector, silk screen and other materials.

38. The efforts to secure full cooperation and understanding of the public for the various measures were geared to the campaigns seasonally. For example, articles and radio broadcasts on anti-typhus spraying were produced early in the winter just before the campaign started. Similarly, malaria talks and articles were published before and during the spraying season.

VI-Rural Health

39. The Ministry of Public Health cooperates with the Rural Development Department in supplying trained personnel for the rural health units of each project area. All personnel, prior to being posted to a new project area are given up to three months special orientation in the pilot Rural Health Unit in Shewaki near Kabul. Doctors and midwives were given such training before posting to the projects in Logar I and Logar II and in Parwan which was initiated at the end of 1338. Six auxiliary nurse-midwives, the first of this category to be trained in Afghanistan, graduated during the year at the end of two and a half years of training, the last six months being in-service training at Shewaki. Four midwives were posted full time to the Rural Health Unit during the year.

40. Theoretical and practical training in rural sanitation was given to the students from the School for Sanitarians. In addition, sanitation lectures and orientation were given to fundamental education organisers (18), subject matter specialists (45), in-service village level workers (refresher course) (45), industrial cooperative workers (11), and village level workers (30).

41. In 1338, 35 sanitary wells were improved or constructed and 1,170 latrines were improved or built to proper design. A pilot census was taken of an area covering 81 villages and over 32,000 population. The scale of work of the Rural Health Unit is seen from the figure of over 120,000 attendances at the clinics for various medical conditions. More than 24,000 primary vaccinations against smallpox were carried out and nearly the same number of typhoid-paratyphoid vaccinations. Some 450 children regularly attend the five kindergartens of the health services of the Rural Health Unit. A block for ablutions and latrines were designed and constructed at the Gulzar training establishment where work commenced on a sanitation demonstration area.

VII – Summary and Conclusion

42. In 1338 there was satisfactory progress towards the long range goal of supplying adequate public health facilities to the whole of Afghanistan. Improvements were not confined to the capital city of Kabul but occurred also in the provincial cities and in some of the rural areas.

43. The construction program was a little slower than had been hoped for especially with regard to the Institute of Public Health. This was partly due to delays in transit of required construction material at the begining of the year. However, with the funds now available, it is hoped that this Institute together with the Kabul 100-bed general hospital and the new women's hospitals of Mazar-i-Sharif and Qandahar, will be completed before the end of 1340.

44. The main handicap to even faster progress remains and is likely to remain for the next few years. This is the shortage not only of doctors but also of the supporting para-medical and auxiliary personnel. However, this factor has been taken into account in the forward planning of the Ministry of Public Health.

CHAPTER V

EDUCATION

A Review of Recent Developments

I - Progress before the Plan

1. Since Afghanistan adopted a modern educational system, the Govenment has taken a keen interest in the expansion of educational activities. The steady progress of education in all fields, for the years 1330 (1951/52) to 1337 (1958/59) has already been indicated in last year's analysis in five tables. By analysing the above figures to which new figures for the year 1338 (1959/60) have now been added, the same progressive trend can be observed even during the period prior to the launching of the Five-Year Plan. During that period (1330-1334) the number of students in primary schools increased by 6 percent from 91 to nearly 97 thousand while the number of schools increased from 283 to 303. Similarly the number of students in village schools went up from less than one thousand to almost 15,000 while the number of the schools increased from 42 to 858. Again in the case of of secondary schools, during the same period, the number of students rose from 2,343 to 4,781 in the junior high schools and from 804 to 948 in the senior high schools.

2. Although the above figures indicate the progressive nature of the development of the Afghan educational system, yet the tempo was not considered to be adequate. Because of this, the First Five-Year Plan envisaged an increase in the rate of development so that the necessary number of training institutions could be established in a very short time providing education at all levels. This was intended to meet the growing needs for trained and educated persons in various fields of moden science and technology and also to raise the standard of education in keeping with modern economic and social progress. This is evident from the tables which follow. These relate to village schools which give three years of education, primary schools: six years, middle schools: nine years: and lycees: twelve years.

II-Village Schools

3. The increase in the case of village schools is very remarkable as can be seen in the following table.

	Village Schools		Male Students		Female Students
	Number	Index	Number 000's	Index	Number 000's
1330	42	100	0.9	100	—
1334	358	852	15.0	1,692	—
1335	384	914	16.4	1,855	—
1336	457	1,088	12.7	2,456	
1337	465	1,107	23.7	2,680	0.2
1338	614	1,462	25.7	2,900	1.1

By 1338 the number of schools had become nearly 15 times the number existing in 1330 whereas the number of students had increased 29 times. Comparing only the two years 1337 and 1338, it can be seen that the greatest advances took place in 1338. The number of students expanded by 2,000 and the number of schools by 149 in that one year.

III-Primary Schools

4. The table below shows an increase in the number of primary schools during 1951-1955 from 283 to 303 while in 1959 it reached 367. The number of students over the same period rose by about one third. It can be seen that the greatest advances in numbers have taken place during the past four years of the Plan and that the progress between 1337 and 1338 was particularly great. A record number of 29 new schools were opened resulting in a substantial increase in students of 5.7 thousand.

	Primary Schools		Male Students		Female Students		Total Students	
	Number	Index	Number 000's	Index	Number 000's	Index	Number 000's	Index
1330	283	100	86.3	100	5.0	100	91.3	100
1334	303	107	87.6	101	9.0	179	96.7	106
1335	322	114	89.7	103	10.0	198	99.7	109
1336	331	117	96.2	111	11.0	218	107.2	117
1337	338	119	105.3	122	12.0	238	117.4	128
1338	367	129	109.0	126	14.1	282	123.1	134

IV-Junior Secondary Schools

5. The next table shows an increase in the number of junior secondary schools (middle schools) from 10 in 1955 to 17 in 1959 and a rise in the number of students by about one half. Between 1337 and 1338 the expansion was particularly noteworthy with the opening of 3 new schools in the one year, resulting in a substantial advance in the number of students.

	Middle Schools		Male Students		Female Students		Total Students	
	Number	Index	Number 000's	Index	Number 000's	Index	Number 000's	Index
1330	8	100	2.1	100	0.2	100	2.3	100
1334	10	137	4.0	188	0.8	277	4.8	204
1335	11	139	3.7	173	0.9	426	4.6	196
1336	14	142	4.1	192	1.1	557	5.2	223
1337	14	142	5.0	232	1.4	706	6.4	273
1338	17	212.5	5.7	265	1.6	790	7.3	311

V- Senior Secondary Schools (Lycees)

6. The number of lycee students more than doubled from 1955 to 1956. The number of lycees, however, appears to have decreased as compared to 1955. This was owing to the fact that three lycees in the provinces were converted into normal schools and one to a middle school. Figures for lycees are given below. Comparing 1338 with 1337, it can be seen that one new lycee opened and that the number of students showed a larger increase than in any other year of the past decade.

	Lycees		Male Students		Female Students		Total Students	
	Number	Index	Number 000's	Index	Number 000's	Index	Number 000's	Index
1330	16	100	0.7	100	0.1	100	0.8	100
1334	17	106	0.8	114	0.1	153	0.9	118
1335	16	100	0.9	124	0.2	232	1.1	135
1336	14	87	1.1	150	0.3	309	1.3	166
1337	15	93	1.3	175	0.3	369	1.6	195
1338	16	100	1.7	232	0.4	440	2.0	252.3

VI- Vocational Schools

7. The number of vocational schools increased from 24 in 1955 to 30 in 1959 as can be seen from the table below. The number of students increased by about two-thirds. Three new vocational schools opened in 1338 resulting in an increase of about 500 in the total number of students.

	Vocational Schools		Students	
	Number	Index	Number 000's	Index
1330	23	100	2.9	100
1334	24	104	3.0	102
1335	21	91	3.5	119
1436	28	122	4.9	171
1337	27	117	4.4	153
1338	30	130	4.9	170

Many more detailed tables on educational progress will be found in the Statistical Appendix, covering many important aspects of the subject.

VII- University Students and Graduates

8. As regards the statistics pertaining to Kabul University, it can be seen from the relevant table below that the number of faculties almost doubled in the past five years. The number of students nearly doubled although this increase has not yet been reflected in the number of graduates. More details on progress in the University will be found at the end of this chapter.

	Faculties	Male Students		Female Students		Total Students		Graduates	
		Number	Index	Number	Index	Number	Index	Number	Index
1330	6	416	100	40	100	456	100	77	100
1334	6	712	171	46	115	785	172	115	150
1335	8	830	199	44	110	874	190	164	213
1336	9	917	220	39	98	956	210	128	166
1337	9	1,234	296	64	160	1,298	285	148	192
1338	11	1,397	335	106	265	1,503	329	127	255

VIII- Girls' Education

9. An important fact that can be observed in the above analysis is the higher rate of increase in the number of girls' schools and girl students as compared with that of boys' schools and boy students.

10. In the case of village schools it should be noted that it is only during the past two years that village schools for girls were started. The increase for female students in primary schools is particularly striking as their number has almost trebled since 1330, whereas male students in these schools had increased by only 26 per cent over the same nine year period.

11. In middle or nine-year schools the number of female students increased about eightfold compared with a two and a half times increase for male students for the same period. In the case of the lycees, or twelve year schools, at the end of 1338 the girl students were nearly four and a half times their number in 1330. For boys the increase was less: about two and a third times.

IX- Primary Education

12. During the fourth year of the Plan, 108 village schools, 53 primary schools and 40 adult education courses have been established. The distribution of these new institutions by locality, number and sex of students is shown in the Statistical Appendix.

13. In twenty eight primary schools local crafts such as carpentry, stone cutting, tailoring, weaving of carpets, rugs and knitting have been introduced. In addition to this, practical training in agriculture and gardening has been introduced in a number of primary schools. Similarly in the case of many primary schools the members of the community concerned now take a direct interest. Consequently, a greater and stronger relationship has been established between them. The voluntary supply of land, money, provisions and equipment is the result of the keen interest shown by many communities. Basic steps have been taken to improve teaching materials and equipment and emphasis has been laid on practical training with a view to giving an all-round education to the students.

14. In the first Five-Year Plan the construction of 250 new buildings was envisaged at an estimated cost of Af 250 million. However, the money appropriated under this heading for the period of the Plan is less than Af 25 million and hence the building program had to be restricted to 28 school buildings. Already nine buildings have been completed. The construction on the remaining buildings is progressing and will be completed by the end of the Plan. The Columbia team of the U.S.A. has given valuable assistance to the Ministry in the field of primary education.

X- Secondary Education

15. Owing to the keen interest shown by the people and on the advice of competent authorities the Ministry of Education has established nine new secondary schools as against the three envisaged in the First Plan. The distribution of these schools by provinces, number and sex is shown in the following table:

New Secondary Schools Established.

Location	Boys' Schools		Girls' Schools		Total
Kabul	Serai Khoja	1	—	—	1
Nangarhar	Rodat, Chagha Serai and Kama	3	—		3
Qataghan		—	Pul-i-Khumri	1	1
Parwan	Jabelseraj	1	—	—	1
Maimana		—	Setara	1	1
Shiberghan	Shiberghan Middle School	1	—	—	1
Farah	Chakhansur Middle School	1		—	1
Total		7		2	9

16. In addition the Sanahi Ghaznawi school was converted into a lycee. Two schools with boarding facilities were established in Mazar and in Badakhshan. These two boarding schools differ from others in the sense that they also include the three final classes of primary education. They have two fourth grade classes in which students from the village schools are admitted and one seventh grade class to which graduates of sixth year primary schools are admitted. Thus the total number of secondary schools, including the lycee and the middle schools has become forty-two. The number of students in these schools rose to over 30,000. This figure, however, also includes the students of the primary classes of the lycee and middle schools.

17. The total number of graduates in 1338 from both the 12th class and the 9th class amounted to 200. Those admitted to take the bacclaureate examination were 30% more than last year. The number of male graduates was 34% higher and female graduates 27% higher than last year.

18. Adjustments and improvements were effected this year in the program of girls' education. The curriculum of biology for girls' schools was changed to suit the requirements of womanhood. The syllabus of general and scientific knowledge, which previously was a part of the teachers' training program only, was introduced in the curriculum of the girls' middle schools in Herat and Mazar. In Qataghan and Qandahar 'overtime' courses were introduced to raise the standard of the teachers of girls' schools in these provinces.

Optional courses in fine arts and in both Latin script and Persian typing were given in advanced classes of Malalai and Zarghoona lycees. These courses were introduced with the intention of providing wider employment opportunities for girls who, due to the recent social reforms, are likely to be seeking employment.

19. The money appropriated in the First Plan for the building of secondary schools amounted to Af 56 million. Most af this money has been utilised on the new building of Habibia lycee. The following other schools, the building of which have progressed satisfactorily, will be completed in the First Five Year Plan: the new lycee of Zarghoona, the annex of Malalai lycee, Khushhal Khan lycee (annex), the girls' school and boarding schools of Mazar-i-Sharif, the secondary (Junior) school and boarding school of Gardez, the lycee and the boarding school of Khan-abad and Baghlan, middle schools of Ushtur-Geran and Badakhshan, and finally, the completion of Rahman-baba school. The Ministry received valuable assistance from the US Columbia Team in the furtherance of secondary education.

XI- Vocational Education

20. In the syllabus of the Arabic school (Darul-uloomi Arabia) new courses were introduced. The syllabus of the normal schools was revised to include two professional courses, namely the principles of education and educational sociology. Moreover, the normal school was divided into three divisions for primary teachers, for secondary teachers and for preparing students to enter the University. In the program of the Commercial School, the accounting and budgetary courses were supplemented by a course on accounting and budgetary procedures of the Ministry of Finance.

21. In the normal school of Kabul the sections on art and agriculture were expanded. The normal schools of the provinces started their third and fourth year classes. In the Afghan Institute of Technology, a room was built for a sports' club and a spacious machine workshop was completed. In the mechanical school two new sections, the technical section and the tool making section, were set up. In the school of arts, sections on arts and weaving were introduced. The teachers and equipment for these two new sections will be provided by German Technical Assistance.

22. Machines and tools for practical training were imported from Germany for the Kabul Mechanical School.

At the Khost Mechanical School a diesel engine was installed.

23. In the Mechanical School of Qandahar the workshop was completed with the technical assistance of UNESCO. The teachers were also provided by UNESCO. In the Afghan Institute of Technology equipment for repairing motor cars, a tinsmithy and welding was provided by ICA. The following important buildings were completed this year:

I. Ist and 2nd annex of the Kabul Mechanical School
II. the annexes of the new School of Agriculture
III. the School of Commerce.

24. An important step in vocational education this year was taken by the conversion of Princess Bilkis Middle School into a Vocational Lycee for Commerce and Administration for girls. This secondary (Junior) school was established in the year 1336 and its syllabus included courses on home economics. Due to the recent social reforms and in the content of increased need for trained people in governmental departments, the business sector and in banks, this secondary (Junior) school was converted into a vocational lycee.

25. The general changes in the number of students and institutions has already been shown in the previous tables. In the following table the new entrants, the number of graduates and total number of students in vocational schools are given (excluding Princess Bilkis School, the normal school of Herat and the Secretarial School).

Enrollment and Graduates of Vocational Schools

Vocational Schools	Graduates			New Entrants	Total Enrollment
	12th class	10th class	9th class		
Darul-uloom of Kabul	22	—	—	25	207
Normal School	69	—	—	150	308
Normal School of Nangarhar	16	—	—	146	351
Mirwiss Normal School	12	—	—	9	255
Afghan Institute of Technology	59	—	—	102	307
Kabul Mechanical School	26	—	79	240	482
Khost Mechanical School	—	—	32	60	150
Qandahar Mechanical School	—	—	36	55	150
Kabul School of Arts	—	20	—	85	209
Farah School of Arts	—	—	12	50	72
Kabul School of Agriculture	56	—	—	72	189
Ibn-i-Sina School	—	—	258	500	1,218
School of Commerce	32	—	—	119	406

Mention should be made of the assistance given in the field of vocational education by UNESCO, the Federal Republic of Germany, ICA and the Wyoming Team.

XII-Audio-Visual and Fundamental Education

26. In this year 35 persons were trained in the course of fundamental education and rural development and 21 were trained in the audio - visual course. 19 primary schools, 24 village schools, 17 adult literacy courses and 15 rural development social centres were supervised in regard to the audio- visual course and fundamental education. Crafts were introduced in the adult literacy courses.

27. The mobile cinema units have shown a number of educational films in various parts of Afghanistan to 255 thousand persons including students and others. Details of films shown are given in the following table.

Attendance at Film Showings

	Students 000's	Others 000's	Total 000's
Qatâghan	7.5	66.2	73.8
Mazar-i-Sharif	11.2	13.3	24.5
Shiberghan	4.1	1.3	5.4
Maimana	4.1	7.1	11.2
Qandahar	9.3	11.2	20.5
Herat	10.9	23.4	34.3
Paktia	4.3	17.6	21.9
Girishk	4.0	7.1	11.1
Nangarhar	10.0	15.0	25.0
Farah	3.7	8.3	12.0
Parwan	5.1	9.8	14.8
Total	74.2	180.3×	254.5×

× Totals not exact due to rounding.

28. In the audio-visual supply centre, a number of teachers, men and women, were trained to prepare charts, posters and maps so that better means for audio visual work can be provided to the schools. Most of the materials used in 250 solar projectors (the projectors which use the sun's rays as a source of energy and light) are locally manufactured. These projectors will be utilised for showing films to students and others in 250 different schools. Ten film scripts were prepared both in Pashtu and Persian and 5,000 copies were prepared for screening in various schools. The topics of these film scripts are: How to Make a Globe, Kabul Museum, Kabul City, a Tour of Afghanistan, Historical Places of Afghanistan, How to Write, Science and three educational stories entitled: Wolf and the Shepherd, Sun and Wind and Greedy Dog.

XIII-Museums and Archeology

29. In order to maintain properly the historical monuments and buildings which represent the glorious civilisation of this country's past the Directorate of the Museum was reorganised to deal with the following subjects: the registration, research and classification of historical discoveries including the publication of reports and catalogues; the work connnected with archeological operations as well as supervising and looking after the archeological work conducted by foreign archeological missions; proper arrangement and inspection of provincial museums and maintenance and repair of historical buildings; the maintenance and repair of museum materials, photography for scientific research, and arrangements for periodical exhibitions; systematic arrangement and classification of manuscripts and the collection of records, old and new, regarding Afghanistan and their publication.

30. Separate sections have been created within the Directorate to deal effectively with these subjects. The Director General has over-all charge of the Directorate. He is also assisted by foreign experts.

31. During the past few months, the museum management has registered and classified about 3,000 items discovered in Mandigak and prepared 500 cards on articles discovered in Bagram. Plans have been made to register and arrange the old coins of the Kabul Museum. The department also plans to prepare a national register of all historical buildings and monuments of the country and to appoint a foreign expert to assist in maintenance and repair of these monuments.

32. During the past year, the following archeological operations were carried out in Surkh Kotal and Ghazni. The tenth session of excavation work was carried out in Surkh Kotal from September, 1959, to November of the same year. This excavation work was carried out on the monument situated on the eastern wing of the great Surkh Kotal temple and partly under the public road. The French Excavation Mission discovered a deep well about 10 metres deep and 4 metres in diameter with steps leading to the bottom of the well. 44 new inscriptions were discovered which are believed to be portions of a complete inscription. The 11th session of excavation work started from the middle of April, 1960.

33. The third session of excavation work in Ghazni started in July,1959, and continued up to November of the same year. This excavation work was carried out in two places, the first being near the tomb of Sultan Ibrahim which is a Ghaznavid monument. The object was to find out the plan of the building. In this place 42 inscriptions were discovered which brings the total number of such inscriptions to 72. The second excavavation work was carried out in a hill called Thakath Sardar which is located between the city of Ghazni and Rowza. A number of stupas were discovered in this place which are believed to belong to the Kushan period. According to the Italian Mission, the stupa discovered in the upper portion of the hill is one of the greatest stupas of Afghanistan. The next round of excavation work of Ghazni started in the month of July.

34. UNESCO and Asia Foundation have rendered valuable assistance to the Ministry in museum work and preservation of historical relics.

XIV-Publications

35. During the past year, a number of books and periodicals have been published by various scientific and cultural departments of the Ministry of Education. The Department of Publications (Darul Tallif) was responsible for the writing of seven textbooks and the translation of seven more. A total of 104 textbooks were published during the year and 36 more titles are in the process of publication. Four extra supplementary texts are being translated and 5 supplements are being published. The Department puts out two magazines called Irfan and Pohana. A magazine called Bekhan wa Bedan is published for the Primary Education Department.

36. The Pashtu academy is having one scientific work written and three more are being translated. Eight books have been published during the year and seven more are in in the process of publication. A periodical called Kabul Magazine is published by the Academy.

37. The Historical Society has translated three works during the year and published three more. Five books are now in the press. The Society puts out the magazines Aryana and Afghanistan.

38. The Afghan Encyclopaedia Society has published two volumes during the year and two volumes are in the press. It is hoped that the Geographical Encyclopaedia will appear for the Independence Celebration of 1339.

39. The Ministry's Printing Press puts out various other periodicals; among these are: Scouting, The Teacher, and Kabul University News. It operates on a commercial profit-making basis. There are at present 116 permanent workers.

XV - Kabul Public Library

40. The aim of this library is to raise the standard of education and knowledge of the people. The library possesses a reading room, distribution room, magazine room and a special children's room. During the year, a number of educational films have been shown. The weekly program consists of films shows, stories for children, debates and other events. The library puts out a magazine called: "Akhbar Irfani".

XVI - Personnel

41. During this period, 217 male and 51 female teachers joined the educational service. There were also 310 additional teachers of both sexes engaged on a contract basis.

42. A list of the foreign professors and teachers directly employed by the Government or procured through international assistance is given in the following table:

Foreign Teachers

Country of origin	Newly employed	Extension of contracts
U.S.A.	—	1
France	2	6
Britain	1	1
West Germany	6	—
Japan	—	1
U.A.R.	—	1
India	5	2
U.S.S.R.	1	—
International and other foreign assistance	32	4
Total.	47	16

XVII- Health Services

43. Free medical treatment is given to all students in Afghanistan. The school medical services stress preventive medicine. Free vaccination of about 40,000 students against typhoid fever took place in 1338. About 16,000 students were vaccinated against smallpox. 20,000 students were injected with tuberculin vaccine and those who had negative responses, were given BCG injections and thus became immune from tuberculosis for 6 years.

44. All students were examined and free medical aid was given to those who were found ailing. A complete set of dentistry equipment was purchased and installed in the hospital of the Ministry of Education. The building of the hospital was improved by installation of an additional water reservoir and a modern bathroom as well as by boring a well.

XVII - Sports

45. The building of the stadium of Istaqlal Lycee which was started last year, made satisfactory progress. This stadium ground was levelled, tracks completed and modern bath rooms together with wardrobes are nearing completion.

46. Two tournaments were held this year, one in the autumn and the other in spring, in which hundreds of competitors and a number of teams took part. These teams included 11 football, 8 hand-ball, 17 volleyball and 15 basketball teams. Local instructors and coaches were trained in rules and regulations of various sports.

XVIII- Scouting

47. The Boy Scout Movement began under the auspices of the Ministry in 1932 but it had to be discontinued after three years. In 1956 the scouts started up again and have flourished since then. There are now 600 members. The Afghan Boy Scouts Association is arranging for affiliation with the international movement. The latest news is that girl scouting has commenced in Kabul. About 200 girl students aged 8-12 from the girls' schools of the capital have joined so far. The Scout Movement is considered a fine training for bringing out the best in young people and it is being actively encouraged by educational authorities.

XIX- International Conferences

48. During 1338, Afghan observers and missions of the Ministry of Education and other related institutions took part in various international conferences and seminars. Afghan participants attended the regional seminar on Compulsory Primary Education and the conference on International Education held at Geneva. Other conferences attended were Vocational Education in Japan, on Turkish and Islamic Art held in Ankara, on the contribution of school publications towards East-West understanding held in New Zealand and the second Regional UNESCO Conference in the Philippines.

XX- Scholarships Abroad

49. During 1338, several friendly countries and organisations granted fellowships and scholarships to various Ministries and Departments. A summary of the recipients according to their affiliation is given below:

Ministry	
Education	24
Planning	1
Interior	5
Finance	10
Health	15

Ministry	
Mines and Industry	69
Commerce	7
Communications	2
Agriculture	13

Other Agencies	
Kabul University	33
Press Department	2
Helmand Valley Authority	4
Afghan Air Authority	13
Aryana Airlines	7
Total	205

50. It will be noted that the largest number went from the Ministry of Mines and Industries in 1338, all of them to the U.S.S.R. Germany and Austria. The next largest number went from Kabul University.

51. Various UN agencies gave 15 fellowships. The United States provided 63 under ICA auspices and USSR 61. Germany gave 26 and Austria 10. France gave 9 and the UAR and Italy 7 each. Holland, Poland and the Asia Foundation provided two each and one student went to Japan.

XXI- Kabul University

52. It was reported last year that a modern campus covering an area of 380 acres would be constructed in Aliabad. The new buildings are planned to accommodate all the university departments which are now scattered in different parts of the city.

53. The plan of these buildings which includes a dormitory for 800 students and buildings for natural sciences, social sciences, literature, agriculture and engineering faculties as well as for administration and libraries, was prepared by the Pacific Engineering Company. A contract for the construction of the buildings was concluded with Hochtief Company in 1338. This firm also prepared a plan for a gymnasium and was given the contract for its construction.

54. The Prime Minister laid the foundation stone of the building on 2nd June, 1960. The total cost of the the university buildings is estimated to be about 6,958,000 dollars. The cost of the buildings will be shared by the Royal Afghan Government and ICA, the former supplying 160 million and ICA providing the rest. The estimated cost of the gymnasium and the sports grounds is 197,000 dollars which will be shared by the Government of Afghanistan and the Asia Foundation. The work on the University buildings will be completed within 1,000 days or approximately 3 years and that of the gymnasium within one year.

55. During the year under review, construction work on the buildings for surgery, bacteriology and a college of literature for women was completed.

56. The recent increase in the number of colleges, students and professors on the one hand and the expansion of responsibilities together with the growth of international relations on the other, required a proportionate expansion in the administrative set-up of the University. After careful consideration of the program, various new departments were created.

57. The number of the Afghan teaching staff increased to 171 during the year. Of these, 19 are full professors and 53 are assistant professors. The foreign teaching staff consisted of 48 members.

58. The total number of students and graduates have already been given for 1330 to 1338. The following table shows the number of students and graduates for the current year, 1339.

University Students and Graduates

Faculty	Number of Students	Number of Graduates
Medicine	351	32
Law	246	57
Science	298	24
Literature	165	31
Agriculture	76	9
Engineering	70	4
Theology	79	24
Economics	120	27
Women's Medical	73	—
Women's Literature	58	—
Women's Science	33	—
Pharmacology	10	—
Totals	1,579	208

59. The number of students has increased by 76 over last year and the number of graduates by 81. Of the total, 486 students or nearly one third, were given free boarding.

60. In addition to supplying free educational facilities within the country, the University also provides scholarships for higher studies in foreign educational institutions to Afghan students. The following table gives details of students sent abroad.

Kabul University Students Abroad in 1338

Country	Students Sent	Graduates Returned	Country	Students Sent	Graduates Returned
U.A.R.	4	—	U.S.A.	7	4
W.Germany	5	5	Belgium	7	—
England	2	—	India	—	1
France	3	7	Turkey	—	1
Switzerland	1	3	Lebanon	1	1
U.S.S.R.	5	—	Total	35	22

61. In 1339 it is expected that a total of 28 students will be sent abroad. Their fields of study will be as follows:

Fields of Study	
Education	7
Atomic Physics	4
Organic Chemistry	2
Engineering	2
Economics	2
Medicine	3
Motor Mechanics	1
Physical Education	2
Wireless Telephone	2
Civil Engineering	1
Agriculture	1
Mathematics	1
Total	28

62. The number of foreign students and research workers who received scholarships and fellowships from the Government of Afghanistan for study in this country, is given in the following table.

Nationality	Subject			
	Pashtu	Persian	History	Research
Chinese	3	2	—	—
Japanese	1	1	—	—
German	—	—	1	1

63. The curricula of the different faculties of Kabul University are evolving in accordance with the requirements of the country and its developing economy as well as with worldwide scientific movements. On these grounds, a number of new subjects, namely political science, constitutional law of Afghanistan and general geography, were added to the curricula of the Law Faculty last year. The fourth year class of the Faculty of Economics was divided into two sections, one dealing with political economy and the other with commerce.

64. To establish better coordination among teaching methods of related subjects, a number of new departments were created in the Faculty of Law and the Faculty of Science. They are the departments of Islamic law, public law, private law, international law and general studies in the Faculty of Law, and the departments of mathematics, physics, chemistry, geology, botany and zoology in the Faculty of Science. The functions of these departments are to supervise and coordinate the various subjects coming under each of the above mentioned branches.

65. In the Faculty of Science, a branch for aeronautics was established, research on botany was started and an electronic laboratory installed. It is planned also to establish a laboratory for atomic research with the assistance of the International Atomic Organisation in the near future. In the Faculty of Pharmacology, equipment for a new laboratory was imported. A blood bank was started under the joint auspices of the Faculty of Medicine and Aliabad Health Institute. In the Faculty of Economics, modern accounting machines were introduced for training purposes.

66. New refresher courses for teachers were organised in the Institute of Education in which larger numbers of male and female teachers participated.

67. The semester system was adopted on an experimental basis in the Faculty of Medicine completely and partially in the Faculties of Science and Letters with the approval of the University Senate.

68. The hospitals attached to the Faculty of Medicine besides providing practical training for students have been taking inpatients for treatment. Aliabad Hospital treated 6,014 inpatients and performed 3,600 operations. The Women's hospital treated 4,407 inpatients and performed 2,394 operations. The Polyclinic treated 255,882 outpatients.

69. During the year under review, seven books were written, four translated and seventeen published under the auspices of the University. Six different magazines were published by the faculties and about one thousand new books imported from abroad for the libraries attached to the University.

CHAPTER VII

MONEY, BANKING AND PRICES

Analytical Review of Recent Developments

I. Changes in the Money Supply

1. Once again the solar year 1337 (March 1958 - March 1959) has witnessed a remarkable degree of monetary and price stability in Afghanistan. As was pointed out in the last Survey of Progress, this was also the country's experience in 1336. The same phenomena of sound monetary and fiscal policies pursued during that year were continued in 1337. The money supply during 1337 increased by 6.9 percent over the preceding year, despite the unquestionable intensification in the implementation of the development program. The total money supply rose by Af 187 million to Af 2,882 million as shown in the table below.

Money Supply (In millions of Afghanis)

	1336 (1997/58)	1337 (1958/59)	Change
Bank notes issued	2,615.0	2,875,1	+ 260.1
Treasury notes issued	180.0	180.0	—
Coins minted	24.0	24.0	—
Gross currency volume	2,819.0	3,079.1	+260.1
Notes and coins held by banks	944.3	1,267.9	+323.6
Notes and coins in circulation	1,874.7	1,811.2	— 63.5
Private bank deposits	820.5	1,071.0	+250.5
Total money supply	2.695.2	2,882.2	+187.0

2. A rise of 6.9 percent in twelve months would seem to be reasonable to allow for the expected increase in the national income and to accommodate the rapid monetization of the economy in many areas where the use of money is expanding and rapidly taking the place of the traditional barter transactions. It would seem that this moderate expansion in the money supply is almost inadequate under present circumstances. Signs are evident everywhere that there is a shortage of money in all forms. More money is needed to pay for the increasing quantities of goods both locally produced and imported. Merchants are feeling the effects of shortages in the means of payment in the hands of the public. Substantial expansion in inventories, both with importers and with local manufacturers, have been reported from many quarters.

3. It is interesting to observe from the table above that while the total money increased, the currency in circulation actually declined by 3.4 percent. This was due to an expansion in bank deposits at a greater rate

(15.3 percent) than that of the total money supply (6.9 percent). This indicates a significantly greater use of banks by people in general. Bank deposits represented only 22.6 percent of the total money supply in 1330 (1951/52). By 1336, this proportion had become 30.4 percent as noted in last year's Survey. In 1337, this percentage rose again to reach 37.2. It is clear, therefore, that the Afghan public and institutions of many kinds have now considerable confidence in banks and are becoming more accustomed to using bank notes and cheques in their transactions. This is a good omen for the future.

II-Counterparts of the Money Supply

4. An increase or a decrease in the money supply, during a certain period, represents an equivalent net change in the liabilities of the banking system. As was noted above, the money supply went up by Af 218.7 million in 1337. This represents an expansion in the total liabilities of Afghan banks during that year. In order to achieve balanced accounts, the banks must show in the aggregate, a rise in their total assets to equal this increased liability. An expansion in the assets of the banking system represents, in turn, greater liabilities of others to the banks. These other liabilities are usually classified by economic analysts into four sectors: public, private, foreign and residual. This latter group consists of miscellaneous items which cannot be classified under the other three.

5. The following table shows the distribution among the above mentioned sectors of the counterparts of the Af 218.7 million which represents the increase in the liability of the banking system during 1337.

Counterparts of Money Supply

(In millions of Afghanis)

Changes in Banks Assets, 1337 Compared with 1336

Net Increase in Assets	Net Increase in Liabilities
80.1 with Government Sector	187.0 Net Increase in Money Supply
169.7 With Private Sector	31.7 Net Increase in Other Liabilities
68.9 In Gold, Silver and Foreign Exchange Holdings	
218.7 Total Net Increase	218.7 Total Net Increase

6. The table shows that the Government, or public sector, increased its liability to the banking system by Af 80.1 million between the end of 1336 and the end of 1337. The private sector also increased its liabilities to banks by Af 169.7 million during the same period. Meanwhile, the banking system increased its foreign exchange holdings by Af 68.9 million. Because total net change in assets must equal total net change in liabilities, it is presumed that the banking system must have incurred a net increase in its other liabilities amounting to Af 31.7 million. This increase represents the change that must have taken place in the residual or fourth sector. Needless to say, this net figure may be the result of expansion in both assets and liabilities not accounted for under the other three sectors: public, private and foreign.

7. Attention will now be given to the analysis of the three main factors responsible for the increase in the money supply namely the Government, private and foreign sectors.

III - The Government Sector

8. The change in the position of a government vis-a-vis banks is the outcome of changes in two factors. One is government deposits in all banks and the other is the net of its loan operations with them, i.e., the balance between the credit extended to or received from banks. The outcome of these two factors in Afghanistan during 1337 is given in the table below in which plus designates items in favor of the Government and minus in favor of the banking system. More details are given in the Statistical Appendix in Part III of this Survey.

Aggregate Government Position with Banks

(In millions of Afghanis)

Type of Account	1336	1337	Change
Demand Deposits	+ 646.1	+ 550.0	
Time and Savings Deposits	+ 45.3	+ 48.1	
Total Deposits	+691.4	+ 598.1	—93.3
Credit Outstanding	—658.0	— 644.8	+ 13.2
Total Net Position	+ 33.4	— 46.7	—80.1

9. This table shows that the Government's deposits at the end of 1337 had decreased during the previous year by 13.5 per cent, or Af 93.3 million. This means that instead of contracting more loans from banks, the Government preferred to draw on its cash balances in the banks. This was undoubtedly a wise policy. It should be remarked, however, that although the Government's total deposits declined, there was a very slight increase in its time and savings deposits.

10. By the end of 1337, the total outstanding credit by the banks to the Government declined by Af 13.2 million, or 2 percent, compared with its level at the end of 1336. This is a remarkable phenomenon to occur during a year when there was an evident acceleration in the implementation of the First Five-Year Plan. It was natural under these circumstances to expect greater rather than less resorting to bank financing. The reduction which took

reflects the overall soundness of the policy being pursued by the authorities. As shown in the summary table above, the overall position of the Government was a reduction of its net assets with the banks by an aggregate of Af 80.1 million which represents a modest proportion of total public revenue or expenditures.

11. The Government position can also be looked at from the point of view of the banks with which the Government had transactions during the year. The following table gives the position of each bank vis-a-vis the Government, showing the deposits in and credits to or from each bank and the net position. Plus means a credit to the Government and minus means a net credit from the bank to the Government.

Government Position with the Banking System

(In millions of Afghanis)

By Bank

	1336			1337			Change
	Deposits	Credits	Net	Deposits	Credits	Net	
Da Afghanistan Bank	+679.1	—684.4	— 5.3	+574.4	—681.8	—107.3	—102.1
Bank Millie	+ 0.9	— 3.6	— 2.7	+ 0.7	— 1.6	— 0.9	+ 1.8
Pashtany Tejaraty Bank	+ 9.4	+ 30.0	+ 39.4	+ 20.7	+ 29.7	+ 50.4	+ 11.0
Construction Bank	—	—	—	—	+ 8.7	+ 8.7	+ 8.7
Agricultural Bank	+ 2.0	—	+ 2.0	+ 1.2	+ 0.1	+ 1.3	-- 0.7
Industrial Fund	...	...	...	+ 1.1	—	+ 1.1	+ 1.1
Totals.....	+691.4	—658.0	+33.4	+598.1	—644.9	—46.7(×)	—80.1(×

(....) = not available (—) = negligible or nil.

(×) Totals are not exact because of rounding.

12. This table indicates that during 1337, there were only two banks with which the Government had transactions of significance. These are Da Afghanistan Bank (the Central Bank) and the Pashtany Tejaraty Bank (the leading commercial bank). The Government's position with Da Afghanistan Bank resulted in an overall debit of Af 102.1 million in 1337 compared with 1336. This was due to a substantial decline in deposits. It is important to note that the amount outstanding on the loan account of the Government with the Central Bank was actually lower at the end of 1337 than a year earlier. In the case of the Pashtany Tejaraty Bank, on the other hand, there was an overall improvement in the Government's position. This was largely due to the more than doubling of the Government's deposits with that bank. There was a very slight decline in the amount of Government loans to the bank as can be noted from the table.

13. As regards the other banks, neither the Construction Bank nor the Industrial Fund affect the 1336 figures as the Construction Bank's transactions were nil and those of the Industrial Fund were not included in the analysis. However, in 1337, the Government apparently made a relatively large loan of Af 8.7 million to the Construction Bank and also a deposit of Af 1.1 million with the Industrial Fund appeared for the first time. These two items served to offset somewhat the decline in the Government's assets noted above. It should be remembered, however, that if the Industrial Fund had been included prior to 1337, the net change in the Government's position with it would have been smaller.

VI- The Private Sector

14. As explained in last year's Survey and as defined in this analysis, the private sector includes all financial transactions other than those of the Government proper, that is Ministries and Departments using the unified public budget. Thus the Municipalities, certain Government enterprises such as the Monopolies Department and joint public and private undertakings are included under the private sector. The table below gives a summary of the position at the end of 1336 and of 1337 for each category. Fuller details are available in the Statistical Appendix at the end of this Survey.

Outstanding Credit to the Private Sector

(In millions of Afghanis)

By Borrower

	1336	1337	Change
Government Enterprises	353.3	329.1	—24.2
Municipalities	—	41.0	+41.0
Mixed Enterprises	754.4	127.3	—627.1
Private Enterprises	1,262.3	1,561.8	+299.5
Individuals	134.1	338.5	+204.4
Financial Institutions	...	276.0	+276.0
Totals.....	2,504.1	2,673.8 (×)	+169.7

(×) Total varies slightly because of rounding. (...) denotes not available.

15. As can be seen from the table, the total outstanding credit to the whole private sector increased by Af 169.7 million or 6.8 percent in 1337 over 1336. It is noteworthy that the changes in the position of the various groups are by no means uniform. While credit to Government enterprises has decreased, credit to purely private concerns has increased. The decline was the greatest for credits to mixed enterprises. This dropped by as much as 83 percent in one year. The increase was greatest for credits to individuals. Credit outstanding to this group increased by 152.4 percent, indicating a strong shift away from Government and mixed enterprises but towards private concerns and individuals in 1337. This tendency is in conformity with the declared policy of the Government to foster private business and encourage private initiative. Unfortunately, the purposes for which the loans were contracted are not shown. It is safe to assume that most of them were for productive purposes. The widespread western practice of financing privately-purchased durable consumer goods by bank loans is not yet practised in Afghanistan.

16. It should be remembered that banks' credit to financial institutions appears for the first time in 1337. The corresponding figure for 1336 is not available. Thus the figure of Af 169.7 million indicating a net increase in credit to the private sector, is not in reality net. It should, therefore, be used with due caution. The inclusion of the Industrial Fund's accounts in 1337, although the Fund existed earlier, is the reason for the uncertainty.

17. It is interesting to study the observed increase in credit to the private sector, not only from the point of view of the borrower, as was done in the paragraph above, but also from the point of view of the lender. This is done in the following table:

Outstanding Credit to the Private Sector

(In millions of Afghanis)

By Lender

	1336	1337	Change
Da Afghanistan Bank	1,338.2	1,459.5	+ 121.3
Bank Millie	812.3	730.2	— 82.1
Pashtany Tejaraty Bank	219.6	234.8	+ 15.2
Construction Bank	76.5	68.1	— 8.4
Agricultural Bank	57.3	62.1	+ 4.8
Industrial Fund	...	119.0	+ 119.0
Totals	2,504.1(×)	2,673.8 (×)	+ 169.7(×)

(×) Totals not exact due to rounding. (...) denotes not available.

18. It can be seen that all banks have increased their credit to the private sector except Bank Millie and the Construction Bank. The largest increase amounting to 9.1 percent was by Da Afghanistan Bank, both in magnitude and in proportion to the total. Out of a total expansion of credit in 1337 of Af 169.7 million, as much as Af 121.3 million or 71.5 percent of the total increase was granted by Da Afghanistan Bank. In the case of the Agricultural Bank, the rate of expansion amounted to 8.4 percent but for Pashtany Tejaraty Bank this rate was 6.5 percent. It would have been useful to be able to study the reasons for expansion in credit to discover whether the purposes are productive or for consumption, whether they are for agriculture, industry or construction. Unfortunately this analysis must be postponed for the time being as all the necessary data for this type of analysis are not on hand at present. The nearest approach, however, is to examine the credit granted according to its nature, i.e., whether it is a loan or equity capital. The following table indicates that the increase in loans was far greater than the increase in credit granted in the form of equity capital.

Outstanding Credit to the Private Sector

(In millions of Afghanis)

By Nature of Credit

	1336	1337	Change
Loans	1,233.4	1,382.3	+ 148.9
Participations	1,270.7	1,292.5	+ 20.8
Total	2,504.1	2,673.8	+ 169.7

V- The Foreign Sector

19. One of the most common bases for increasing the money supply is the expansion of banks' holdings in the form of gold, silver and foreign exchange. The holdings of the banking system in 1336 and 1337 are given in the table below:

Gold, Silver and Net Foreign Exchange Holdings

(In millions of Afghanis)

By Type of Asset

	1336	1337	Change
Gold	811.7	828.7	+ 17.0
Silver	149.5	149.5	—
Foreign Exchange (net)	723.2	775.1	+ 51.9
Totals	1,684.4	1,753.3	+ 68.9

20. In 1337, all assets increased over 1336 by Af 68.9 million representing a rise of 4.1 percent. The expansion in the foreign exchange holdings was the most substantial, amounting to 7.2 percent, whereas that of gold amounted to 2.1 percent. Silver holdings remained stable at Af 149.5 million. It should be remembered that the real value of all these assets is underestimated in terms of Afghanis because the rate of conversion used is the official rate as contrasted with a much higher but more realistic rate of exchange. If a more realistic rate is used the value of these assets would be doubled in terms of Afghanis.

21. It is interesting to study the increase in assets not only by type of asset as was done above, but also by bank. In the table below the foreign exchange assets of the three banks having such holdings, are given for 1336 and 1337.

Gold, Silver and Net Foreign Exchange Holdings

(In millions of Afghanis)

By Bank

	1336	1337	Change
Da Afghanistan Bank	1,586.5	1,684.1	+ 97.6
Bank Millie	0.4	1.2	+ 0.8
Pashtany Tejaraty Bank	97.5	68.0	— 29.5
Totals	1,684.4	1,753.3	+ 68.9

22. The greatest expansion between the end of 1336 and the end of 1337 took place in the holdings of Da Afghanistan Bank. This expansion actually offset a decline of almost one third in the holdings of Pashtany Tejaraty Bank besides adding to the total assets of the banking system by the amount noted above. The increase in the assets of Da Afghanistan Bank amounted to Af 97.6 million representing 6.2 percent. Although there was a very slight expansion in the holdings of Bank Millie amounting to only Af 0.8 million, this rise represents a relatively substantial increase of over 200 percent of the bank's holdings at the beginning of the year.

23. It would be most interesting to be able to dwell on the causes of the changes in the various banks' assets in 1337. This will be done in some detail in the chapter on Balance of Payments. In particular, see tables dealing with capital and gold movement.

24. As a result of the recent increases in the gold and foreign assets, the cover ratio of the note issue exceeded the 33 percent legal cover requirement. The noted increase of Af 68.9 million in 1337 was more than adequate to meet the legal requirement for the rise in the note issue in the same year which amounted to Af 58.6 million. The following table compares the note issue and the cover in 1337 and 1336.

The Note Cover of Gold, Silver and Foreign Exchange

(In milions of Afghanis)

	1336	1337
Total Gold, Silver and Foreign Exchange Holdings	1,586.5	1,684.1
Bank Notes Issued	2,615.0	2,875.0
Cover Ratio	60.6%	58.6%

25. This table clearly indicates that the ratio is far above the legal requirement leaving a safe margin for a moderate expansion. It should be remembered, however, that an allowance has been made in the above analysis for the fact that some of the foreign exchange holdings of the banking system should have been set aside for commercial purposes. There should be a distinction made between the Central Bank's holdings which are earmarked for covering the note issue and those held by the same bank and others that are available to meet temporary disequilibrium in the balance of payments. The creation of a note-issue department as distinct from a commercial affairs department within the Central Bank, might be helpful to achieve this end.

VI - Prices

26. Although the general level of prices does not always reflect closely changes in the money supply, usually the latter has a predominant influence on prices. To ascertain true changes of prices, a properly constructed index, either of wholesale or retail prices, is needed. Neither is available at present. However, as an alternative, a selection of 20 representative commodities in common use was made and changes in their prices were studied. In last year's Survey, only 7 items were used for the same purpose. The table below gives the list of 20 commodities and their price indices for 1336 and 1337 on the basis of the 1332 level.

Average Annual Price Indices of Important Consumer Goods in Kabul

(1332 prices taken as 100)

	1336	1337	Percentage change			1336	1337	Percentage change	
1. Wheat	129	107	—	13.1	11. Sugar	93	98	+	5.3
2. Corn	114	79	—	30.7	12. Tobacco	115	108	—	6.1
3. Barley	125	102	—	18.4	13. Kerosene	158	150	—	5.1
4. Rice (long grain)	132	126	—	4.5	14. Wood	156	163	+	4.4
5. Rice (shortgrain)	127	118	—	7.1	15. Charcoal	144	139	—	3.5
6. Mutton	140	156	+	11.4	16. Soap	128	190	+	48.4
7. Butter (boiled)	178	154	—	13.5	17. BleachedCalico ×	78	116	+	48.7
8. Onions	94	105	+	11.7	18. Unbleached Calico × ×	88	144	+	63.6
9. Raisins (red)	150	138	—	9.2	19. Red cloth(+)	106	112	+	5.6
10. Tea (black)	227	224	—	1.3	20. Muslin	105	117	+	11.4
					Average Index	129	132	+	2.3

× Sana safed × × Kora (+) Alwan

27. The highest rise took place in 1337 in the four cloth items. Among food items, mutton, onions and sugar increased in price. Wood was the item of fuel to rise. Soap also increased in price but this may be a reflection of better quality becoming available. All other items showed price declines ranging from 1.3 percent in the case of black tea to 30.7 percent for corn.

28. In the Statistical Appendix, actual annual and monthly prices of these same items as well as for a larger group of 53 commodities, will be found. The Appendix also includes figures for 1338. More or less the same conclusions will be drawn if the larger group of commodities is studied.

29. The average overall rise in prices in 1337 as compared with 1336 was only 2.3 percent. This is to be compared with an average increase in 1336 over 1335 of 11.2 percent for the same group of commodities. An index number of the movement of the prices of these commodities as well as the annual percentage increase or decrase is given below:

Price Indices of Twenty Selected Commodities

	1332	1333	1334	1335	1336	1337
Index	100	95	106	116	129	132
Percentage change	—	—5.0	+11.1	+9.4	+11.2	+2.3

30 In order to study price changes more adequately, the twenty commodities were divided into four categories: fuel, clothing, food and miscellaneous. The graph in the Appendix compares the movement in prices of these four groups between 1332 and 1338.

31. It is interesting to observe that the highest rate of increase in prices occurred in the fuel group. It is also interesting to see how seasonal fuel prices have been during this period. Prices are much higher in the winter than in the summer. The lowest rate of increase has been in the clothing category, despite the striking rise in 1337 over 1336. It should be remembered that the four items comprising this category are the most basic types of cloth purchased by the people. These have all recently come into local production which has brought prices down as from 1338 onwards. The food and miscellaneous prices (soap and tobacco) rose sharply at the beginning of the period but from 1334 onwards they levelled off and even showed a tendency to fall in some instances.

32. Another special study has been made on the three major food items used in the country: wheat, sugar and tea. The figures for average annual prices of these items from 1332 to 1338 are presented in a graph appearing in the Statistical Appendix. This shows clearly that while the price of sugar has been held steady, the price of wheat has shown some tendency to rise. In 1337 and 1338 its price fell from the peak of 1336, however, due to the Government's policy of importing wheat to meet shortages. In the case of tea, there was a very sharp increase between 1332 and 1335, but the price remained about constant since then.

Summary and Conclusions

The very moderate increase in the money supply of less than seven percent would seem to be scarcely adequate to cope with the increased monetization of the economy and the rising national income. The most important counterpart in this expansion of the liabilities of the banking system has been shown to be the rise in credits to the private sector, followed by approximately

equal increases in the liabilities of the Government and in foreign exchange holdings.

This increase in foreign exchange holdings has made the note cover above the minimum legal requirement, leaving a fairly small margin for a moderate but carefully planned expansion in the money supply, without exposing the country to the danger of inflation and its appalling consequences. Such an expansion would seem to be justified and necessary to meet the needs of an expanding and progressive economy.

Although no detailed banking statistics are yet available for 1338, the situation as it developed in that year would seem to warrant this conclusion and to reinforce it still further. The distinct and continuing appreciation in the value of the Afghani in terms of foreign currencies as well as the continuing stability of internal prices would seem to suggest that the forces observed in 1337 must have been in action throughout 1338 also, indicating the continuance of sound fiscal and monetary policies.

CHAPTER VIII

PUBLIC FINANCE

Analytical Review of Recent Developments

I. Rise in Actual Public Expenditures and Revenues

1. As the Afghan Government shoulders more and more reponsibilities in many fields, both public expenditures and public revenues inevitably increase. During the last five fiscal periods for which actual expenditure and revenue data are available. public expenditure expanded by approximately 120 percent and public revenue by 90 percent. Expenditure in 1333 was Af 1,008 million which by 1337/38 had risen to Af 2,234 million. Revenue stood at Af 1,206 million in 1333 but four and a half years later, it had reached Af 2.297 million. A substantial proportion of the increase in actual expenditures is attributable to expenses incurred on construction and economic development.

2. The increase in both expenditures and revenues is again reflected in budget estimates for a later period. Estimated expenditures (not including proceeds of foreign loans) went up from Af 1,673 million in 1336/37 to Af 2,429 in 1338/39 representing an increase of 45 per cent in two years. On the other hand, estimated public revenue (including proceeds of foreign loans) rose during the same period by 60 percent, i.e., from Af 2,113 million to Af 3,389 million. The next table gives actual public expenditure and revenue for the last four and a half years for which actual data are available.

3. It should be pointed out that the original figures for the 1336 column were for a six-month period. They have been doubled in order to arrive at an annual rate to make 1336 figures comparable with other budget periods given in the table. Doubled figures are designated by brackets throughout this analysis to distinguish them from genuine annual figures. The first six months of Solar 1336 was a fiscal transitional period that bridged the gap when a changeover in the beginning of the fiscal year took place. Prior to this transition, the fiscal year coincided with the solar year; it started from the spring equinox on about March 21st and ended March 20th. The transitional period was from March 21st 1957 to September 20th, 1957. Thereafter, the fiscal years began at the autumnal equinox on Mizan Ist and ended on the last day of Sunbula in the solar calendar, or approximately from September 21st., to September 20th., in the Gregorian calendar. It should be borne in mind, however, that no accurate comparisons should be attempted between any year and 1336 because its figures are those for the first six months doubled. Doubling the expenditure incurred or the revenue received in the first half of any year is not likely to reflect accurately the outlay or income of the complete year as many items are seasonal by nature.

Actual Public Expenditure and Revenue

(In millions of Afghanis)

	1333 (1954/55)	1334 (1955/56)	1335 (1956/57)	1336 (March 57 Sept.57)	1336/37 (1957/58)	1337/38 (1958/59)
Expenditure	1,007.7	1,371.6	1,585.9	(1,756.6)	1,622.7	2,233.5
Index	100	136	157	174	161	222
Annual rate of increase(+)or decrease(—)	—	+36.0	+15.4	+10.7	—7.7	+37.6
Revenue	1,206.4	1,465.9	1,465.8	(1,982.8)	2,015.5	2,296.8
Index	100	122	122	164	167	190
Annual rate of increase (+) or decrease (—)	—	+22.0	—	+34.0	+1.8	+13.7

4. It will be seen from the table above that the amounts of public outlay have been rising significantly from year to year throughout the period under review. However. the rate of increase declined strikingly from 36 per cent in 1334 down to 7.7 percent in 1336/37. This trend was sharply reversed in 1337/38, when expenditures rose by 37.6 percent over the previous year, from Af 1,623 million to Af 2,234 million. The reason for this is that the tempo of the Plan implementation had gathered momentum by that time. Previously, many factors contributed to the slow take-off of many projects. Among these, were the period needed for preparation of surveys and blueprints; the ordering and transit of many kinds of imported materials were subject to longer delays than had been anticipated. It is also likely that heavy payments for many items ordered in the early years of the Plan became due in 1337/38. Invariably, in this analysis, expenditures from the proceeds of foreign loans and grants are not included, unless specifically stated.

5. The same table shows that total actual revenue has also been steadily rising over the period 1333 to 1337/38, although the rate of increase was not so high. The substantial rise in actual expenditures in 1337/38 coincided with a lesser expansion in actual revenue. Expenditures went up by Af 611 million as compared with Af 281 million for revenues. It should be remembered that revenues always include income from all sources including those received from foreign loans and grants.

II- Making Budgetary Estimates

6. As in most other countries, there is a time-lag between the availability of estimated and actual public finance figures. At present, the time-lag in Afghanistan is about three years. In the recent past, this time lag was four to five years. Owing to the improvements that are being introduced in accounting and budgeting procedures, thanks to the help of the Public Administration Team (PAS) under contract by ICA, as will be explained below, this time lag is being progressively reduced to a minimum. At present, actuals as well as estimates are available up to fiscal 1337/38 (1958/59). In adddition, there are revenue and expenditure estimates for up to fiscal 1338/39 (1959/60). Estimates of revenue only are also available for 1339/40. It is of the utmost importance for any analysis of public finance figures to understand the relationship between estimates and actuals. This helps in interpreting correctly the estimates for the years for which actual figures are not yet available.

7- The following table gives estimated and actual public expenditures for the last four and a half years for which both are available. i.e., up to and including fiscal 1337/38.

Estimated and Actual Public Expenditures and Revenues

(In millions of Afghanis)

	1333	1334	1335	1336	1336/37	1337/38
Estimated Expenditures	1,158.9	1,301.1	1,337.5	(1,876.8)	2,193.1	2,680.1
Actual Expenditures	1,007.7	1,371.6	1,585.9	(1,756.6)	1.622.7	2.233.5
Estimated — Actual	+151.2	—70.5	—248.4	+120.2	+570.4	+446.6
Percentage Error	+ 9.5	—5.4	—18.6	+ 6.4	+ 26.0	+ 16.7
Estimated Revenues	1.138.2	1,283.9	1,822.5	(1,984.0)	2,113.5	2,455.1
Actual Revenues	1,206.4	1,465.9	1,465.8	(1,982.8)	2,017.5	2,296.8
Estimated — Actual	—68.2	—182.0	+356.7	+1.2	+96.0	+158.3
Percentage Error	— 6.0	— 14.2	+ 19.6	—	+ 4.5	+6.4

8. The table clearly indicates a definite tendency to overestimate expenditures. In the last three years shown in the table, the overestimate ranged from Af 570 million to Af 120 million or from 26.0 to 6.4 percent. It should be noted, however, that in two years the estimated expenditure proved to be too low. This was probably due to the fact that prior to the adoption of the First Plan more outlays were incurred than had been anticipated, due to the lack of planning. Once the Plan started, the appropriations exceeded the amounts actually spent, mainly for the reasons enumerated above.

9. If estimated and actual public revenues are compared over the same period, it is noticeable that for the two years before the Plan began there was a strong tendency to underestimate revenues. In 1333, this underestimation amounted to Af 68.2 million or 6.0 per cent. In 1334, the underestimation was Af 182.0 million or 14.2 percent. Since fiscal 1335, however, this tendency has been completely reversed. A sharp error in the other direction took place when there was an overestimate of revenue amounting to Af 356.7 million or 19.6 per cent. A distinct improvement took place in the transitional budget of 1336 but during the two subsequent full years, the tendency to overestimate public revenue reappeared. The error in 1337/38 amounted to Af 158.3 million as compared with only Af 96.0 million in 1336/37, as shown in the table. The respective percentages were 6.4 and 4.5. Such overestimation is normal under prevailing conditions in which planners, eagerly awaiting an expansion in sources of revenue, are inclined to anticipate increases which never materialise. This temptation should be carefully guarded against in future in order to maintain the sound fiscal policy which has been adhered to so far.

III- Distribution of Actual Expenditures and Revenues

10. It is equally interesting to study how actual public expenditures were divided among the chief categories over the past two years for which complete figures are available and in comparison with a base year. 1333 was taken as this base because it is the first year for which figures are available classified in the form used in later years. The table below gives a summary of this distribution of expenditures among major categories. Greater details will be found in the Statistical Appendix, where the same major categories are subdivided into minor groups, not only for the three years covered below, but also for the intervening years.

Distribution of Actual Public Expenditures

(In millions of Afghanis)

Major Categories	1333 (1954/55) Amount	1333 (1954/55) Percent	1336/37 (1957/58) Amount	1336/37 (1957/58) Percent	1337/38 (1958/59) Amount	1337/38 (1958/59) Percent
100 General Government Administration	485.2	51.2	86.5	6.2	96.2	5.7
200 National Defence and Security	263.5	27.8	483.3	34.8	593.6	35.2
300 Social Services	86.0	9.1	175.1	12.6	193.4	11.5
400 Public and Economic Services	92.0	9.7	386.5	27.8	482.4	28.6
500 Communications and Transport	20.5	2.2	88.2	6.4	102.6	6.1
830 Servicing of Debts	—	—	146.5	10.6	186.3	11.1
900 Others	—	—	21.8	1.6	30.2	1.8
Totals(×)	947.3	100.0	1,387.9	100	1,684.8	100
Used from Foreign Loans	60.4		234.8		548.7	
Grand Total	1,007.7		1,622.7		2,233.5	

(×) Totals not exact due to rounding.

11. In 1333, slightly more than half the actual expenditure was classified as being for General Government Administration. Of the remainder, slightly more than half was spent on national defence and security. This category includes the expenses of the Ministries of Justice, Interior, Foreign Affairs and Defence as well as those of the Press and Tribal Affairs Departments. Social and economic affairs ministries and departments shared less than 20 percent of actual expenditure. There was a striking reduction in the amount and the proportion allotted to the first heading, Government Administration, both in 1336/37 and in 1337/38. Proportionately this item went down to about one tenth of its level in 1333. This is probably due largely to a change in classification

procedure in the later years, when then there was probably less tendency to put many items incorrectly under General Administration. During the two later years public security was allocated about one third of the total.

12. The magnitudes and relative proportions of funds allotted to the various categories in 1336/37 and 1337/38 on the one hand and in 1333 on the other, need further explanation. The agencies falling under the category of public and economic services include the most important ones undertaking the execution of the Plan, namely the Ministries of Public Works, Agriculture, Mines and Industry and the Helmand Valley Authority. This explains the substantial increase in the relative importance of this category. Social services which include mainly the Ministrjes of Health and Education, received approximately 12 percent of the total budget in the two later years as compared with 9 percent in 1333. Servicing of the public debt took about the same proportionate amount as social services; about 11 percent. In the base year (1333), this item did not exist at all.Needless to say, servicing of public debts includes mostly payments of interest and relatively small amounts of principal as most public loans are not yet due for repayment. This item will tend to increase in future.

13. On the whole, the table shows a very remarkable similarity in the relative allocations to each category in the two years 1336/37 and 1337/38 despite the fact that the magnitude of expenditures were very different. It should be pointed out that the expenditures derived from foreign loans are given in the table as a separate item and show a steady increase over the years considered. It should be remembered, however, that public expenditures obtained from such loans are not included in outlay distribution by category.Consequently the true expenditures on each item are in reality greater than those appearing in the table.

14. It is epually informative to study the major sources of total public revenue. The same three years have been chosen for this study and the figures appear in the table below. Fuller details for the whole period and for minor as well as major sources are given in the Statistical Appendix in the Public Finance tables.

Sources of Actual Public Revenues

(In millions of Afghanis)

Major Categories	1333 (1954/55)		1336/37 (1957/58)		1337/38 (1958/59)	
	Amount	Percent	Amount	Percent	Amount	Percent
100 Direct Taxes	165.1	13.7	295.8	14.7	266.8	11.6
200 Indirect Taxes and Duties	482.1	40.0	857.7	42.5	940.6	40.9
300 Income from Sale of Property and Services	24.4	2.0	36.7	1.8	56.3	2.5
400 Revenune from Licenses, Fees and Fines	30.7	2.6	59.2	2.9	65.2	2.8
500 Income from use of Property and Money	13.5	1.1	55.3	2.7	52.9	2.3
600 Income from Government Enterprises	3.6	0.3	68.0	3.4	41.9	1.8
700 Other Income	77.4	6.4	95.9	4.8	49.5	2.2
800 Non-revenue Income	223.5	18.5	300.0	14.9	274.9	12.0
900 Foreign Loans and Grants	186.1	15.4	248.9	12.3	548.6	23.9
Totals×	1,206.4	100.0	2,017.5	100.0	2,296.8	100.0

×Not always exact due to rounding.

15. The most remarkable fact revealed by this table is the relatively high proporttion of public revenue derived from indirect taxes. These indirect taxes consist largely of import and export taxes as can be seen from the detailed figures appearing in the Statistical Appendix. The relevant table gives all major items of revenue broken down into minor categries. The second most important source of revenue, especially in the last year under consideration, is loans and grants which then represented approximately a quarter of the total. The remaining major sources are direct taxes and nonrevenue income. Direct taxes constitute largely income tax on corporations and individuals as well as real estate taxes. During the period under study, the relative importance of this item has been declining. The main part of non-revenue income is the use of funds that are standing in favour of the Treasury with banks or Government cash balances. These non-revenue components have been declining relatively from 18.5 percent of total revenue in 1333 to 12.0 percent in 1337/38. On the whole, the table above reveals a striking stability in the proportion of revenue derived from each major category, not only between the two last years under consideration but also for the base year, 1333, as well.

IV- Estimated Expenditures

16. Studying estimated public expenditures and revenues is more indicative of current Government fiscal policies and practices than if the study is based on out-of-date actuals. The period for which estimates are available, is usually much more recent. By the time actuals become available they normally no longer represent the current situation, especially under a progressive and dynamic economy. The latest Afghan fiscal year for which there are estimates for both public receipts and outlays is 1338/39(1959/60) which ends in September, 1960. For comparative purposes, two preceding years are also included in this study. The following table gives a brief summary of estimated expenditures by major categories.

Estimated Expenditures

(In millions of Afghanis)

Major Categories	1336/37 (1957/58) Amount	Percent	1337/38 (1958/59) Amount	Percent	1338/39 (1959/60) Amount	Percent
100 General Government Administration	106.7	6.4	125.7	6.5	137.9	5.7
Index	100		118		129	
200 National Defence and Security.	595.9	35.6	654.9	34.0	745.9	30.7
Index	100		110		125	
300 Social Services	230.5	13.8	238.7	12.4	343.7	14.2
Index	100		104		149	
400 Public and Economic Services	444.8	26.6	512.9	26.7	786.5	32.4
Index	100		115		177	
500 Communications and Transport	109.9	6.5	115.7	6.0	144.4	5.9
Index	100		105		131	
800 Servicing of Debts	151.7	9.1	247.4	12.9	236.9	9.7
Index	100		163		156	
900 Others	33.6	2.0	28.6	1.5	33.6	1.4
Index	100		85		100	
Totals Excluding Foreign Loans and Grants	1,673.1	100.0	1,923.9	100.0	2,428.9	100.0
Index for Totals	100		115		145	

17. In the aggregate, there has been a substantial increase in the total estimated expenditures by 45 percent during the last two years studied. This expansion reflects the rising tempo of the Government's development efforts. The increase during 1337/38, although fairly substantial, being 15 percent, was much less than during 1338/39 when expenditures went up by 26 percent.

18. During the current fiscal 1338/39, the greatest single item of outlay is expected to be on public and economic services which represents, as pointed out before, the expenditures of major ministries and agencies which are implementing the Plan. It is significant to observe that the amount earmarked for these services has been rising sharply from year to year from approximately Af 445 million in 1336/37 to Af 787 million in 1338/39. The relative proportion allotted to these services as compared with the total outlay is also rising. During 1337/38, the increase was 15 percent over the preceding year. In 1338/39 as much as 53 percent more was allotted to this item than was the case a year earlier and 77 percent more than in 1336/37. The same remarks obtain for outlays on social services, mainly health and education which comprise the other main components of the Plan expenditures. The increase in the total expended on social services witnessed a greater relative increase than that of the total of the whole budget. Over the period, there was an increase of 49 percent in the amounts earmarked for social services as compared with a rise of 45 percent in the total budget taking allocations in 1336/37 as a base. Although the amounts earmarked for servicing the public debt represented about ten percent of the total estimated budget in 1338/39, the absolute magnitude in the third year was much greater than in the first. representing an increase of 56 percent. The amount earmarked for servicing the public debt went up form Af 151.7 million in 1336/37 to Af 236.9 million in 1338/39 as shown in the table. However, there was a slight decline

in the third as compared with the second year. Allotments for general Government administration has remained consistently low hovering around 6 per cent of the total. This small allocation reflects a desire to spend most of public money on development and increasing the national income rather than on public administration . In absolute terms, however, the sums allotted for this item went up from Af 107 million to Af 138 million during the period under consideration. As can be seen from the table, the estimated expenditures on public security have increased although proportionately they show a decrease from 35.6 percent to 30.7 percent of total outlay.

V- Outlay on Economic Development

19. To determine the amounts and percentages of all public expenditures earmarked for development, each item of outlay mentioned above has been subdivided into ordinary and developmental components for the same three years and given in the table below on page168.

20. The most striking fact to emerge from this table is that, in the aggregate, outlays on development during the three years given ranged from 27 down to 25 and then up to 30 percent of the total budgets respectively. These percentages do not take into accunt, however, the spending from foreign loans and grants on development. In order to appraise the situation more realistically, these amounts have been added to the locally-procured funds. When the amounts derived from foreign loans and grants are added in, the proportion appropriated for development during the same three years, is seen to range from 44 percent in the first year in the table (1336/37), rising to 46 percent in the second year (1337/38) and to 54 percent of the total in the third year (1338/39). In other words, estimated development expenditures in Afghanistan have recently represented more than half the total budget; a record that may a be almost unique among developing countries of Asia or most other developing countries.

21 . As is to be expected, the proportion of the total budget of the various categories devoted to development vary. In 1338/39, for instance, as much as 70 percent of the total budget for public and economic services is earmarked for development. It should be remembered that the figures appearing in the table above for each individual category, exclude the funds obtained from foreign loans and grants, as inclusive figures are not available by individual categories. Of the total budget of communications and transport, 37 percent, was appropriated for development in 1338/39. In the case of social services, this proportion was 26 percent in the same year. It is noticeable, however, that although the relative percentages devoted to development in the social services category has been declining from 33 to 31 and again to 26 percent during the three years respectively, the absolute amounts allotted rose nevertheless from Af 75 million in 1336/37 to Af 91 million in 1338/39.

22. The relative proportions devoted to development of public and economic services remained almost stable at around 70 percent of the category's total budget throughout] the period under study. However, the magnitude of the estimates rose strikingly, particularly in 1338/39 when they reached Af 550 million, compared with only Af 316 million two years earlier and Af 351 million in 1337/38. The relative proportions devoted to the development of communications and transport dropped from 49 to 48 and again to 37 percent over the three years reviewed. The amounts allotted remained fairly stable varying by only about Af 2 million each year from Af 54 to 56 million and then down to Af 54 million again. The total budget for this category has been rising steadily from Af 110 million in 1336/37 to Af 144 million in 1338/39.

VI - Estimated Revenues

23. Just as anticipated, public outlays have increased. the expected public revenues have also risen during the period under review. Public revenues in the three years 1336/37 to 1338/39 are given by major sources in the table on page 169.

Estimated Expenditures on Development

	1336/37 (1957/58)			1337/38 (1958/59)			1338/39 (1959/60)		
	Ordinary	Development	Total	Ordinary	Development	Total	Ordinary	Development	Total
100 General Government Administration	106.7	—	106.7	123.6	2.1	125.7	132.1	5.8	137.9
Percentages of total	100.0	—	100.0	83.3	16.7	100.0	95.8	4.2	100.0
200 National Defence and Security	595.9	—	595.9	654.9	—	654.9	721.3	24.5	745.8
Percentages of total	100.0	—	100.0	100.0	—	100.0	96.7	3.3	100.0
300 Social Services	155.5	75.0	230.5	165.1	73.6	238.7	253.1	90.5	343.6
Percentages of total	66.0	33.0	100.0	69.2	30.8	100.0	73.7	26.3	100.0
400 Public and Economic Services	128.8	316.0	444.8	161.6	351.4	512.9	236.8	549.8	786.6
Percentages of total	28.9	71.1	100.0	31.5	68.5	100.0	30.1	69.9	100.0
500 Communications and Transport	55.9	54.0	109.9	59.9	55.8	115.7	90.6	53.8	144.4
Percentages of total	50.9	49.1	100.0	51.8	48.2	100.0	62.7	37.3	100.0
800 Servicing of Debts	151.7	—	151.7	242.4	5.0	247.4	236.9	—	236.9
Percentages of total	100.0	—	100.0	98.0	2.0	100.0	100.0	—	100.0
900 Others	28.6	5.0	33.6	28.6	—	28.6	33.6	—	33.6
Percentages of total	85.1	14.9	100.0	100.0	—	100.0	100.0	—	100.0
Final Totals(×)	1,223.1	450.0	1,673.1	1,436.1	487.8	1,923.9	1,704.4	724.4	2,428.8
Percentages of totals	73.1	26.9	100.0	74.6	25.4	100.0	70.2	29.8	100
Expenditure from estimated foreign loans and grants	—	520.0	520.0	—	756.2	756.2	—	1,270.0	1,270.0
	1,223.1	970.0	2,193.1	1,436.1	1,244.0	2,680.1	1,704.4	1,994.4	3,698.8
	55.8	44.2	103.0	53.6	46.4	100.0	46.1	53.9	100.0

(×) Does not include expenditures from foreign loans and grants

Estimated Public Revenue

Major Categories	1336/37 (1957/58) Amount	Percent	1337/38 (1958/59) Amount	Percent	1338/39 (1959/60) Amount	Percent
100 Direct taxes	237.0	11.2	244.0	9.9	257.0	7.6
Index	100		103		108	
200 Indirect taxes and duties	694.0	32.8	850.8	34.7	1,091.0	32.3
Index	100		123		157	
300 Income from sale of property and services	36.5	1.7	43.9	1.8	46.8	1.4
Index	100		120		128	
400 Revenue from license, fees and fines	40.1	1.9	38.6	1.6	44.3	1.3
Index	100		96		110	
500 Income from use of property and money	45.9	2.2	53.0	2.2	52.8	1.6
Index	100		115		115	
600 Income from Government Enterprises	74.1	3.5	40.5	1.6	213.5	6.3
Index	100		55		288	
700 Other income	242.1	11.5	213.5	8.7	211.1	5.9
Index	100		88		87	
800 Non-revenue income	223.7	10.6	214.6	8.7	202.6	6.0
Index	100		96		91	
900 Loans, grants and foreign aid	520.0	24.6	756.2	30.8	1,270.0	37.6
Index	100		145		244	
Totals	2,113.4	100.0	2,455.1	100.0	3,389.1	100.0
Indices for totals	100		116		160	

(Text is continued on next page.)

24. The increase in total public estimated revenues was most striking during the period under review. They rose from Af 2,113 million to Af 2,455 million and then to Af 3,389 million. If 1336/37 is taken as base year, the indices for the two following years would be 116 and 160 respectively.

35. The most important source of revenue under the 1338/39 budget estimates was foreign loans and grants representing 38 percent of the total. The second most important source was indirect taxes and duties representing 32 percent of the total. Other important sources of revenue were direct taxes yielding 7.6 percent, income from Government enterprises yielding 6.3 percent and nonrevenue income, derived chiefly from the use of Government cash balances in banks representing 6.0 percent of the total estimated revenue.

26. It is noticeable that the revenue anticipated from foreign loans and grants was augmented from 25 percent to 31 and then to 38 percent over the three years under review. The rise in magnitude for the use of such loans and grants is even more striking: from Af 520 million in 1336/37 to Af 1,270 million two years later. This is a feature in recent public finance data which must be watched carefully in future. The country's ability to service more foreign loans should be kept constantly under review. Although the yield from indirect taxes was expected to rise substantially in magnitude from Af 694 million to Af 1,091 million, the relative proportion out of the total has remained more or less constant at about one third. Similarly, the yield from direct taxes was expected to increase moderately but the relative importance of this source has been declining and was expected to decline still further from 11 to about 8 percent of the total during the three years reviewed.

VII- Public Debts

Internal Debts

27. There is no funded public debt in Afghanistan at present. Thus the Government's total internal indebtedness consists of the balance between the total credits granted to or received from the leading banks. This has been dealt with in Chapter VII on Money, Banking and Prices. In brief, the Government's net indebtedness to the banking system at the end of 1336 amounted to Af 644.8 million as compared with a net indebtedness of Af 658 million a year earlier. This was the result of transactions, mostly with Da Afghanistan Bank, the Central Bank.

28. More up to date figures are now available to show the Government's net indebtedness to the Central Bank at the end of 1338 (March 21, 1960). The corresponding figures related to the end of 1337 have been prepared hereunder for comparative purposes. It should be remembered that the Government's loans from the central Bank do not reflect the total of the Government's commitments to the Bank. There are besides other loans that have been granted to autonomous, government enterprises, municipalities, industrial and commercial institutions under Government guarantee. The original amounts of these loans, the sums paid back and the balance outstanding for all of them are set out in the table below by agency. It gives the postion as of the ends of 1337 and 1338. A more detailed account of these loans is given in the Statistical Appendix. The relevant table therein gives for 1338, in addition to the information summarised in the table below, the interest rates payable, as well as the dates and duration of each loan. A similar table pertaining to the end of 1337 was given in the Survey of 1959.

Internal Loans Granted by Da Afghanistan Bank to the Government or with Government Guarantee by Agency

(In millions of Afghanis)

	End of 1337			End of 1338		
	Loan granted	Amount paid back by borrower	Balance outstanding	Loan granted	Amount paid back by borrower	Balance outstanding
	(1)	(2)	(1)—(2)+ interest	(1)	(2)	(1)—(2)+ interest
Government, Ministries and Departments	998.9	344.1	656.0	998.9	344.6	680.6
Gvernment Enterprises	395.6	87.0	309.1	475.7	82.0	392.4
Kabul Municipality	37.5	5.0	32.5	37.5	7.3	30.2
Herat Municipality	0.8	—	0.8	1.8	—	1.8
Industrial Institutions	—	—	—	219.1	12.8	220.2
Commercial Institutions and Banks	—	—	—	217.6	94.5	123.1
Totals×	1,432.8	436.1	998.4	1,946.6	541.3	1,448.3

×Not always exact due to rounding.

29. As can be seen from the table above the original amounts of loans granted to Government departments did not change between the two dates. However, the total increased substantially from Af 1,433 million to Af 1,949 million. Although fairly substantial amounts were paid back during 1338, the balance outstanding of all loans increased by about Af 450 million or 45 percent over a year earlier. Substantial sums were granted to industrial and commercial institutions during 1338 underlining the keen interest of the Government to encourage private enterprise.

External Debts

30. The Government's total external debts went up slightly from 117.2 million dollars at the end of 1337 to 138.1 million dollars at the end of 1338 (March, 1960); an increase of 18 percent. The composition of foreign loans by source, amounts authorized, amounts utilized and balances still available of each, both at the end of 1337 and 1338, are shown in the table below. A more detailed table bringing the information pertaining to public foreign indebtedness that appeared in last year's Survey uptodate, appears in Part III of this year's Survey.

Public Foreign Loans

(In millions of Afghanis)

	1337 (1958/59)			1338 (1958/59)		
Source	Amount of Loans Authorized	Amount Utilized	Balance Available	Amount of Loans Authorized	Amount Utilized	Balance Available
U.S.A	51.8	49.2	2.6	51.8	49.2	2.6
U.S.S.R	145.8	55.9	89.9	145.8	76.4	69.4
Czechoslovakia	12.4	8.7	3.7	12.4	8.7	3.7
West Germany	3.4	3.4	—	3.8	3.8	—
Totals	213.4	117.2	96.2	213.8	138.1	75.7

31. There was a very small increment of 0.4 million dollars in the total authorized. This was from West Germany and the extra amount was fully utilized. As the amounts utilized increased by approximately 21 million dollars the balance available for use was reduced by approximately the same amount. The whole amount of this increase in utilization was accounted for under the USSR loans. It was used exclusively for development projects. All the other information regarding interest rates, duration and purposes were given and explained in the Survey last year and remain unchanged.

VIII- Improvements in Budgeting and Accounting Procedures

32. During the past three and a quarter years, a team of experts provided through ICA has been working to improve the accounting and budgeting techniques in use by public agencies. As a result of the work of this able team from Public Administration Service (PAS), a new budget system formally came into effect on September 24th, 1959, (lst Mizan, 1338). The Cabinet had approved it and the accounting system it requires in December, 1958. A Budget and Accounting Act was presented to the Cabinet, approved and sent to Parliament. The new accounting system went into operation on the same date as the new budget system, i.e., on September 24th., 1959 or the first day of the current fiscal year (1339/40). Post-audit which is prescribed under the new system, was started in the latter part of May, 1960. Regular inspection of the application of the new systems is being undertaken.

33. Various courses of instruction have been undertaken and some are continuing. New manuals for budgeting and accounting are being taught in a new school set up for the purpose jointly by the Ministries of Finance and Education and also in the Commercial College of Kabul. It was decided that all regular Government agencies would come under the new systems at first. Extension is planned for a later date to all semi-autonomous agencies such as the Monopolies Department and Municipalities.

34. The new budgeting system relates public expenditures to development plans and to actual past expenditures. It provides a uniform and detailed codification of expenditures and revenues in accordance with standard international terminology. It facilitates coordination of budgeting and accounting by using this terminology and standard forms. It can provide estimates of future costs beyond the following budgetary years to help in formulating future development plans. It provides effective control over expenditures by an orderly process of apportionment and review. The system is designed to be

flexible enough to meet unforeseen or program changes during a budgetary year.

35. The new accounting system is designed to facilitate Government operations, to provide current reliable and adequate financial information for the management of public service and development programs and finally to provide satisfactory methods for controlling and safeguarding the country's financial resources. To these three ends, three basic changes are now under way. The operationl accounting is being decentralized from the Ministry of Finance to the various agencies. These agencies will now have authority to obligate and control expenditures within their allotments. The Court of Accounts will undertake post-audit in future, rather than pre-audit procedures. Finally, the disbursement procedures in the Treasury Department will be centralized and simplified.

36. The accounting system which has been introduced involves double-entry bookkeeping, with a master ledger maintained in the Ministry of Finance. Authorizations to spend money would be controlled by this ledger. Each agency would keep its own transaction register from which regular summary report forms would be filled in. These reports would be recorded in the master ledgers in the Ministry of Finance so that a summarized analysis of all Government transactions would become readily available.

37. The results of the first months of use of the new systems and the first year's budgeting have proved encouraging. As is to be expected, certain difficulties have been encountered and certain minor changes have been made and will continue to have to be made in procedures. As more and more of the personnel in the key agencies become familiar with the new terminology and techniques, most of the difficulties will disappear. The most important way to achieve this result will be the continuation of first-class training courses in the use of the manuals.

Summary and Conclusions

Afghanistan's public finance data reveal the well-known and expected characteristics of a progressive and developing economy. The Government is spending substantially more than before but it is also receiving more. However, public expenditures are included to race ahead of the increasing revenues. While actual outlay on ordinary and development purposes rose by 120 percent during the last four and a half years for which figures are available public revenues increased by 90 percent during the same period.

It is expected that the new accounting and budgeting procedures which are now being introduced will greatly improve the skill and accuracy with which budgetary estimates are made each year, so that under the Second Five-Year Plan, estimates will approach actuals more closely. The present tendency in estimating expenditure would appear to be overconservatism, for actual expenditures usually turn out to be less than anticipated. The opposite tendency appears to be operating in the case of estimating revenues which are now characterised by overoptimism. Actual revenues have recently turned out to be less than estimates. This is, of course, a natural practice which is common in most countries bent on hastening their development programs. If the sound fiscal policies adopted and pursued during the First Plan are to continue through the Second, these two opposing tendencies need to be borne in mind and allowed for in making future estimates.

In recent years, there was a distinct tendency of actual expenditures allotted to public administration to decline and for those earmarked for public and economic services to rise. The latter tendency is likely to continue and even to grow much larger under the Second Plan. While this is to be expected, it should be remembered that the cost of servicing the public debt has risen and is likely to increase still further as annual payments falling due in the next five years will be considerably heavier than in the recent past. This aspect must be carefully watched.

The distribution of actual revenues amongst its main sources shows that indirect taxes account for a very high proportion of total receipts and have shown little signs of diminution recently. Direct taxes, however, have exhibited some tendency to fall lower by comparison to other sources. Reliance on the use of revenue from public foreign loans and grants has increased during the last three years and will probably continue to expand further under the Second Plan.

Recent available budgetary estimates show that economic development in Afghanistan absorbs about 30 percent of the total allotments financed from local sources. If all expenditures on development are taken into consideration, including those from foreign loans and grants, this proportion rises to 54 percent of the total. By far the greatest proportion of development expenditures is devoted to public and economic services, followed by communications and transport and then by social services. The proportion of development funds earmarked for these three major categories are 70, 37 and 26 per cent of their total budgets respectively.These are records that may be unique among developing countries.

A striking feature of public revenue during the last three fiscal years is the very great increase in estimated revenue from all sources.Among the major categories, the largest increase was in the foreign loans and grants category which represented 38 percent of total revenue in 1338/39. The second most important source was indirect taxes, mainly from exports and imports, which constituted about one third of the total in the same year.Prior to the First Plan, this source often accounted for about 40 per

cent of total revenue. The tendency to rely relatively less heavily on indirect taxation is sound and thus should be pursued further.

Internal and external public debts, particularly to Government departments and agencies, remained substantially unchanged in the past two years.The announced policy of contracting no new loans for the Government was adhered to most strictly despite an intensification of the development program.Some loans that had been authorized and not used, were utilized during the current fiscal year exclusively for development purposes. The size of the public debt would seem reasonable and manageable considering the size of public revenue and the use made of foreign loans but the situation must be kept constantly under review in order to maintain the sound fiscal and monetary policies pursued so far.

CHAPTER X

THE BALANCE OF PAYMENTS POSITION

An Analysis of Latest Trends and Implications

I - Summary Statement

1. During solar 1337 (1958/59) Afghanistan incurred a balance of payments deficit amounting to Af 425.2 million as compared with Af 235.8 million in 1336 and Af 296.0 million in 1335. The position in 1337 was largely the result of a substantial import surplus of Af 810.1 million or in other words an excess of payments for imports over receipts from exports. It was also due to a deficit of Af 58.4 million on account of invisibles or in other words an excess of payments for services over receipts therefrom. These two debit items were partially offset by a net surplus from official donations received from abroad amounting to Af 94.3 million and a net credit item of Af 349.0 million representing errors and omissions calculated to balance the current transactions account on one hand and the movement of capital and monetary gold account on the other.

2. The deficit of Af 235.8 million incurred in 1336 took place despite a net favourable trade balance of Af 18.2 million, a net surplus on account of invisibles amounting to Af 48.0 million and a net earning from donations of Af 126.0 million. These surpluses were more than offset by Af 427.9 million representing errors and omissions to allow mostly for foreign trade movements that could not be included in the merchandise trade figures quoted.

3. The table below shows the current account segment of the payments position for 1336 and 1337.

Current Transactions

	Credit		Debit		Net Balance	
	1336	1337	1336	1337	1336	1337
1. Merchandise trade and non - monetary gold	1,984.5	1,722.7	1,966.3	2,532.8	+18.2	—810.1
2. Invisibles	121.4	119.5	73.4	177.9	+48.0	—58.4
3. Donations	126.3	94.5	0.3	0.2	+126.0	+94.3
4. Errors and omissions	—	349.0	427.9	—	—427.9	+349.0
Total current transactions	2,232.2	2,285.7	2,467.9	2,710.9	—235.8	—425.2

Totals are not exact because of rounding.

4. The 1337 deficit of Af 425.2 million was financed by a substantial net increase in the country's liabilities in the form of long-term official loans amounting to Af 551.1 million, an additional net increase in the official short-term liabilities of Af 10.7 million (representing the outcome of an increase in indebtedness under bilateral trade agreements by Af 10.4 million and an increase in indebtedness to official and banking institutions abroad

of Af 0.3 million). In addition, a small increase in long-term liabilities occurred amounting to Af 0.3 million representing an increase in foreign private investment in Afghan industry during the year. The total of the net increase in liabilities on account of these three factors amounted to Af 562.1 million. Thus besides covering the deficit incurred (Af 425.2 million), these items allowed for an increase in the official holdings abroad of short-term assets by Af 136.8 million.

5. The capital movement in 1337 just described is in contrast to the position in 1336 when the total deficit of Af 235.8 million was financed quite differently. During this year, there was a net increase of official long - term loans amounting to Af 506.7 million and a small increase in the net official short - term liabilities abroad of Af 0.6 million. The total of these two items of Af 507.3 million was enough not only to meet the payments deficit incurred (Af 235.8 million) but also to enable the country to increase its short - term assets abroad by Af 258.3 million and to enable the Central Bank to increase its monetary gold holdings by Af 13.1 million. The table below compares the movement in the capital and monetary gold segment of the payments position in 1336 and 1337. A comparison between the payments positions in 1336 and 1335 was given in the Survey of Progress last year.

Movement of Capital and Monetary Gold

(in millions of afghanis)

	Assets		Liabilities		Net Assets	
	1336	1337	1336	1337	1336	1337
1. Private long - term capital	—	—	—	+ 0.3	—	— 0.3
2. Private short - term capital	—	—	—	—	—	—
3. Official long - term capital	—	—	+ 506.7	+ 551.1	— 506.7	— 551.1
4. Official short - term capital	+ 258.3	+ 136.8	+ 0.6	+ 10.7	+ 257.7	+ 126.2
5. Monetary gold	+ 13.1	—	—	—	+ 13.1	—
Total movement of capital and monetary gold	+ 271.5	+ 136.8	+ 507.3	+ 562.1	— 235.8	— 425.2

Totals may not be exact because of rounding.

(+) indicates increase and (—) indicates decrease.

II- Detailed Explanation

1. *Merchandise Trade*

6. In 1337, the total value of recorded exports was Af 1,722.7 million as compared with Af 1,984.5 million in the preceding year. Thus the value of exports fell between the two years by 13.2 percent. This rather substantial change was caused, as explained in Chapter XI on Foreign Trade, by the substantial decline in the exports of cotton and wool. The decrease in the quantities of cotton exports from 17.7 million kilos in 1336 to 7.0 million kilos in 1337 was due to a failure in the crop resulting mainly from unfavourable weather conditions. Woollen exports also declined but not to the same extent; the drop was from 7.0 million kilos in 1336 to 5.4 million kilos in 1337. (See Chapters I and XI on Agriculture and Foreign Trade).

7. In contrast to exports, the value of recorded imports increased appreciably from Af 1,966.3 million in 1336 to Af 2,532.8 million in 1337 or by 28.8 percent in one year. This striking increase is partially due to the fact that, for the first time, the imports of ICA have been included in the recorded figures. Previously, this was not done as ICA imports are not subject to customs duties and thus are not registered by the customs authorities. The imports of ICA alone accounted for Af 53,636,979 in 1337.

8. In addition, the recording of imports in general was much more carefully done in 1337 than was the case in 1336. Many Government agencies which had not reported their imports before because of their misinterpretation of their customs exemption privileges, were required to submit returns and did so in 1337 for the first time. Notwithstanding these two elements, the value of imports during 1337 must have been intrinsically more mainly because of the intensification in the implementation of the Five - Year Plan which resulted in greater imports both of machinery and equipment for the Plan's projects and other consumer goods indirectly influenced by the development program. A more detailed analysis of the composition of imports in 1337 is given in Chapter XI of this Survey.

9. The 1337 merchandise trade figures of Af 1,722.7 million for exports and Af 2,532.8 million for imports still do not represent the full value of the goods that crossed the Afghan border during the period under

review. It is well recognised that fairly substantial quantities of goods go to and come from neighbouring countries without being registered in the Afghan customs houses. Although commendable efforts have already been made to improve the customs reporting procedures, the nature and the length of the country's frontiers are such that absolutely complete coverage is difficult, if not impossible.

10. Improvement in coverage must by necessity be a slow process. Meanwhile, foreign trade and balance of payments data or estimates must be prepared and used despite their admitted imperfections. In the case of balance of payments estimates, the absence of complete coverage is not so serious as in the case of foreign trade analysis. One redeeming feature in this respect is that the underestimation of exports caused by outward smuggling is likely to be offset by an approximately equal amount representing the underestimation of imports caused by unrecorded incoming goods. The tribesmen (Kuchis) who seasonally cross the Afghan border are naturally inclined to equalise the value of the goods they carry in and out of the country.

11. Another source of inadequacy in the 'merchandise trade' item is that there is no uniformity in reporting the valuation of exports or imports. Although most values reported are stated to be inclusive of cost, insurance and freight (C.I.F.) it is known that some imports are valued free on board (F.O.B.) or free alongside (F. A. S.). Last year, no adjustment in merchandise trade valuation was made on the assumption that the errors on both sides would cancel out. It was felt that the C. I. F. value of exports represents an overvaluation of what Afghanistan earns from non - residents because part of export proceeds are earned by non - residents in the form of freight and insurance. Similarly, the C. I. F. valuation of imports represents an overvaluation of what the country owes the outside world as some of these costs and expenses are earned by Afghan citizens mostly within the Afghan border. It was assumed that the two errors would approximately be equal although it was fully realised that this was not strictly true. Owing to lack of shipping and insurance services rendered by Afghan residents the two sides could not in fact be equal. As an approximation and as a practical expedient, however, and until better and more detailed figures are available, the same assumption has been made this year. Thus no adjustment for freight or insurance on merchandise trade is made in 1337 figures. Nor do these elements appear separately under invisibles. This is admittedly one of the basic weaknesses of the present estimate.

12. However, as of the beginning of 1338 (March, 1959) new customs forms have been introduced which will indicate much more clearly the F. O. B. or F.A.S. value of each consignment and all the other expenses incurred to its final destination or from its country of origin. As from 1338 onwards, it is hoped, adjustments will be made for the transport or insurance elements that are related to merchandise trade.

13. The failure to report duty - exempt imports on the part of some departments and agencies on the one hand and the incompleteness in reporting goods crossing the Afghan border with tribesmen on the other, partially explain the relatively large sum of errors and omissions as the last item of current transactions appearing every year. In 1337, this figure was estimated at Af 349.0 million. In 1336, the corresponding figure was Af 427.9 million, indicating a small but significant improvement in making the balance of payments estimates during the two years. It should be understood, however, that the item 'errors and omissions' could also be influenced, though to a lesser extent, by inaccuracies of the capital movement account. Most of the items are usually obtained from banks and financial institutions the records of which are normally more reliable than those pertaining to current account data.

2. *Non-Monetary Gold Movement*

14. In 1337, no gold pieces or coins were either sold or bought by Da Afghanistan Bank (the Central Bank); there were some such transactions in 1336. Consequently, no item appeared in the balance of payments statement under this heading for 1337.

3. *Invisibles*

15. The first item under the group called invisibles is foreign travel. The net outcome of this item in 1337 was a credit balance of Af 69.0 million as compared with an overall net credit balance of approximately the same magnitude (Af 70.2 million) in 1336. This item was the result of a credit (or earning) of Af 101.1 million and a debit (or expenditures) of Af 32.2 million in 1337. The credit side represents expenditures of non - resident individuals or institutions in Afghanistan. These expenditures are given in detail in Supplementary Tables that appear in the Statistical Appendix or Part III of this Survey. See table Balance of Payments (4). The most important expenditures reported by the Pashtany Tejaraty Bank under this item were incurred by foreign embassies in Kabul (Af 20.9 million), and by the United Nations Technical Assistance Mission (Af 2.7 million). Among the most important reported by Da Afghanistan Bank, were Af 59.5 million spent by ICA and Af 1.9 million spent by the Asia Foundation.

16. The debit side of this item (foreign travel) represents the expenditures incurred by Afghan residents and Afghan representatives abroad. The purposes of such

expenses in 1337 were diplomatic, educational, medical, pilgrimage or general. The largest sum spent for diplomatic purposes during the year was by the Ministry of Foreign Affairs as is to be expected. The amount was Af 14.7 million. The most important item spent for educational purposes was incurred by Kabul University and the sum was Af 7.7 million. The largest item under medical purposes was Af 4.1 million incurred by private Afghan residents seeking medical treatment outside the country. The total amount spent by pilgrims through Pashtany Tejaraty Bank was Af 1.4 million. As stated above, all details pertaining to payments and receipts given are published in Part III of this Survey. However, major items incurred under 'invisibles' are summarized for 1336 and 1337 in the table below.

Payments for and Receipts from Services (Invisibles)

(In Millions of Afghanis)

	Credit		Debit		Balance	
	1336	1337	1336	1337	1336	1337
Foreign travel	96.8	101,1	-26.6	-32.2	+70.2	+68.9
Transportation	1.8	3.2	- 1.6	-31.9	+ 0.3	- 28.8
Insurance	-	-	- 3.5	-	- 3.5	-
Investment income	3.2	2.7	-34.8	-45.2	- 31.5	- 42.6
Government (not elsewhere included)	7.6	1.3	- 2.8	-39.7	+4.8	-38.4
Miscellaneous:						
a. Commissions	8.2	1.7	- 0.9	- 2.5	+7.3	-0.7
b. Subscriptions	-	-	-	- 0.6	-	-0.6
c. Salaries and wages	0.4	3.7	- 0.2	-2.1	+0.3	+1.6
d. Postal services	0.2	1.1	- 0.6	- 0.5	- 0.5	+0.6
e. Taxation	2.1	1.2	- 0.3	- 0.4	+1.7	+0.8
f. Others	1.1	3.4	- 2.2	-22.7	- 1.1	-19.4
Total Miscellaneous	12.0	11.1	- 4.2	-28.8	+7.8	-17.7
Grand Total	121.4	119.4	-73.5	-177.8	+48.1	-58.4

Balances and totals may not be accurate because of rounding.

17. The total sum paid for transportation was Af 31.9 million and the sum earned amounted to Af 3.2 million, leaving a debit balance of Af 28.8 million in 1337. This item is apart from transport charges pertaining to goods assumed to be included under the merchandise trade item as explained above. This compares with a net credit of Af 0.3 million in 1336. The credits or receipts in 1337 were earned mostly by Afghan firms and residents. The most important of these was the earning of Ariana Afghan Airlines which accounted for Af 2.4 million out of a total of Af 3.2 million. The debit item or payments disbursed consisted partly of travelling expenses of private Afghan residents or employees of different Government Departments. It also consisted of transportation charges incurred by various Government Departments or Agencies and Afghan institutions. The most important of the first group was Af 2.4 million incurred by Afghan residents and Af 0.9 million paid by the Ministry of Foreign Affairs. The largest single item of transportation charges of the second category was Af 12.6 million paid by the Ministry of Finance. It is not clear whether Ariana receipts or remittances included charges for both passengers and cargo but it would seem likely that the company's returns include both. If so, the above items would be the only separate transport charges pertaining to merchandise trade that is given in the present balance of payments estimate.

18. Because there are no Afghan insurance institutions functioning at present, the country does not as yet have any receipts from insurance. A single debit item for 1337 of Af 5,524 appears in the balance of payments table as compared with Af 3.5 million in 1336. This item is small because all payments of insurance on goods sent or brought in from abroad have not been given separately as they were assumed to have been included under the heading Merchandise Trade as was explained above. The only insurance premia paid were on students abroad studying under the aegis of Government Departments and Agencies. See detailed tables in the Appendix.

19. The investment income earned in 1337 was relatively small compared with the investment expenditures incurred because Afghanistan possesses relatively small amounts of investment held abroad but has to pay interest on fairly large foreign loans. The total earning under this heading in 1337 was Af 2.7 million (as compared with Af 3.2 million in 1336) but total payments made were Af 45.2 million (as compared with Af 34.8 million in 1336). The falling off of the branches of Afghan banks' profits during the year together with the increase in the magnitude of the outstanding foreign loans were responsible for this situation. It is not unlikely that this 'invisible' expenditure item will increase more as the years go by because of the increase in the foreign public loan and the simultaneous decline of the country's foreign exchange assets held abroad. This situation calls for careful watching and skilful handling. The largest single item on the credit side was the profit of Bank Milli's branches abroad which earned Af 2.6 million. The largest payment incurred was Af 31.1 million as interest due to the Export - Import Bank of Washington, D. C. followed by Af 9.1 million due to the U.S.S.R. and finally Af 4.9 million due to Czechoslovakia. Full details are given in the Statistical Appendix tables referred to above.

20. As its name indicates, the item 'Government Not Included Elsewhere' includes receipts and payments from or to non - residents by Government Departments and

various other official and semi-official organisations that have not been mentioned anywhere else in this balance of payments estimate. The total amount of receipts under this heading during 1337 was Af 1.3 million and the total expenditures were Af 39.7 million, leaving a net debit balance of Af 38.4 million. In 1336, this item had a credit of Af 7.6 million, and a debit of Af 2.8 million leaving a net credit balance of Af 4.8 million. The apparent deterioration may easily be a reflection of better reporting rather than due to more expenditures actually having been incurred in 1337. The two largest items on the credit side in 1337 were Af 0.5 million earned by the Ministry of Finance and Af 0.2 million by the Government Staff Cooperative. The two largest items on the payments side were incurred by the Helmand Valley Authority (Af 9.4 million) and by the Ministry of Finance (Af 8.9 million).

21. The 'miscellaneous group' which is the last item under invisibles, consists mostly of salaries and wages, commissions, subscriptions, postal services and taxation. Total receipts in 1337 amounted to Af 11.1 million and total payments to Af 28.8 million resulting in a net overall deficit of Af 17.7 million. The same group of items had a credit of Af 12.0 million, a debit of Af 4.3 million and a net overall surplus of Af 7.7 million in 1336. A detailed account of each individual item is provided in supplementary tables in Part III of this Survey. The table above summarises all the major groups mentioned for 1337 and 1336.

4- *Donations*

22. Donations consist of payments and receipts both in cash and in kind to and from official non-resident organisations or institutions. So far, no private donations have been reported. The total receipts in 1337 amounted to Af 94.5 million, the total payments amounted to Af 0.2 million leaving a net credit balance of Af 94.2 million as compared with a credit of Af 126.0 million, a debit of Af 0.3 million and a net overall credit of approximately Af 126.0 million in 1336. The chief source of official donations in 1337 was ICA which donated a total of Af 83.8 million of which Af 11.0 million represented project contributions and Af 72.8 million a wheat grant. The second largest contributor was UNICEF contributing supplies valued at Af 5.3 million followed by the Asia Foundation donating a total of Af 2.6 million. The only debit item during the year (1337) was Af 0.2 million representing the cost incurred by the Afghan Red Crescent on a medical mission sent to Pakistan during the year under review.

5- *Capital and Monetary Gold Movement*

23. During 1337, there was an overall increase in the country's liabilities to the outside world by Af 562.1 million and an increase in its total assets by Af 136.8 million resulting in a net increase in liabilities of Af 425.2 million. In 1336, however, the total increase in liabilities was less (Af 507.3 million) and the increase in assets abroad was more (Af 271.5 million) resulting in a smaller net increase in liabilities (Af 235.8 million).

24. In 1337, the chief factors behind the increase in liabilities was the use, during the year, of official long-term loans amounting to Af 657.0 million. This total was made up of USSR credits amounting to Af 507.8 million, a loan from the ICA amounting to Af 143.2 million for development projects and a third from the Export - Import Bank for the Helmand Valley Authority of Af 6.0 million. Simultaneously there was a reduction in liabilities by Af 105.9 million following the amortization of official loans that became due during the year. Two repayments were made to the U.S.S.R.; one for Af 41.7 million and the other for Af 63.3 million. In addition, one repayment was made to Czechoslovakia amounting to Af 0.9 million. It should be pointed out, however, that the Afghani equivalent of these payments was underestimated since the conversion rate used for the foreign exchange paid was the official rate of Af 20.25 and Af 56.70 for the U.S. dollar and the pound sterling respectively. Details of these payments in afghanis and the original amounts in foreign currencies are to be found in the supplementary tables appearing in the Statistical Appendix. As a result of the loans used and the amortization effected during the year, there was a net increase in Afghanistan's foreign liabilities of Af 551.1 million.

25. The second most important change in the country's liabilities is made up of two items under official short - term capital movement. The first component is an increase of liabilities under payments and clearing agreements totalling Af 10.4 million. This is a net amount resulting from increases in liabilities to the U.S.S.R. during 1337 by Af 34.1 million and to Poland by Af 2.1 million on one hand and an increase in the credit extended by Af 25.4 million to Czechoslovakia and by Af 0.4 million to China on the other. The second component is Af 0.3 million which represents an increase of short - term official liabilities to the Central Bank of Iraq. The outcome of those two components was an increase in official short - term capital by Af 10.7 million. In addition to the above - mentioned increase in liabilities there was also a small increase of only Af 0.3 million representing direct private long-term investment which was the cost of a motor repair workshop imported by Indamer Afghan Industries Incorporated.

26. On the assets side, there was an overall increase of Af 136.8 million during 1337 as compared with an

increase of Af 271.5 million in 1336. The gain in 1337 was made up mostly of one item which represents an increase in foreign exchange holdings abroad of Da Afghanistan Bank by Af 136.0 million and by Bank Milli of 0.8 million. There was no change in the monetary gold holdings of the Central Bank in 1337. The table below summarizes the changes in capital movement in 1336 and 1337.

Capital and Monetary Gold Movement

(In Millions of Afghanis)

	Increase (+) or Decrease (—)					
	Assets		Liabilities		Net Assets	
	1336	1337	1336	1337	1336	1337
11.1 Direct long-term investment	—	—	—	+ 0.3	—	0.3
13.1 Official long-term loans	—	—	+ 571.4	+ 657.0	— 571.4	— 657.0
13.2 Portfolio securities	—	—	—	—	—	—
13.3 Amortization	—	—	— 64.7	—105.9	+ 64.7	+ 105.9
14.1 Payments and clearing agreements	+ 190.1	—	—	+ 10.4	+ 190.1	— 10.4
14.2 Liabilities to official and banking institutions	—	—	+ 0.6	+ 0.3	— 0.6	— 0.3
14.3 Official foreign exchange holdings	+ 68.2	+ 136.8	—	—	+ 68.2	+ 136.8
14.4 Others	—	—	—	—	—	—
15.0 Monetary gold	+ 13.1	—	—	—	+ 13.1	—
Grand Total	+ 271.5	+ 136.8	+ 507.3	+ 562.1	—235.8	—425.2

Summary and Conclusions

27. As a result of its current intensive efforts made for economic and social uplift, Afghanistan has been incurring small balance of payments deficits during the three years for which estimates are available. These were Af 297 million, Af 256 million and Af 425 million during 1335, 1336 and 1337 respectively. The specific reason behind the increase in these deficits is the gradually increasing imbalance between the value of imports and exports. In 1337,however, the deficit may have appeared larger than the true facts would have warranted. In this year, a drastic fall in cotton exports coincided with a substantial improvement in statistical reporting which resulted in many more import items being included in foreign trade data than was the practice earlier. Nevertheless, there has probably been a real and widening gap between the value of imports and exports in recent years, mainly due to the intensification of the development program. This program has necessitated not only the importation of machinery and equipment entailing the expenditure of large sums abroad but also resulted in the need for the importation of many consumer items indirectly needed by the implementation of this program.

28. The imbalance due to the surplus of payments over receipts on account of services such as transport, insurance, interest and other 'invisible' items has never been substantial according to the estimates that have so far been prepared. These items are normally large in countries like Afghanistan where most freight charges and merchandise insurance premia are earned by non-residents. It has been assumed for the time being, in the absence of better and more accurate data, that the expected deficit from this sector is already accounted for under the heading 'Merchandise Trade' in the current account. This assumption will be constantly under review whenever better and more detailed figures become available. Even if the assumption proves true, at least it would be possible to ascertain the magnitude of the true deficits that are attributable to such important categories of services, particularly transport and insurance.

29. Official donations on the other hand, have recently been a source of a net surplus in the current account. During the three years studied, official donations resulted in net credits of Af 189.0 million in 1335, Af 126.0 million in 1336 and Af 94.3 million in 1337. It is to be hoped that this decline during the last three years is not setting a pattern for the next few years when the development program will require more and more financing from this important source.

30. It has been characteristic of the Afghan payments position during the three years under review that official long-term loans were contracted to cover the deficits

incurred. During the same three years under review, loans amounting to Af 457 million, Af 571 million and Af 657 million were utilised. The loans have been official because of the characteristically predominant role that the Afghan Government plays in the national economy. They have been mostly long-term because the proceeds are used exclusively for large scale developmental projects, the gestation periods of which are usually long. As long as the deficits incurred are caused by expenditures on truly productive projects that will eventually increase the country's ability to service and repay the loans contracted the soundness of the present policy is unquestionable.

31. A careful examination of available balance of payments estimates would seem to indicate the need for the encouragement of exports and the development of many 'invisible' sources of revenue from such services as tourism, insurance and air transportation to reduce as much as possible the gap between current receipts and current expenditures. Fortunately for Afghanistan there is wide scope for appreciable improvements in all these directions. However, if payments deficits still persist especially during the next few years which is likely because of the large-scale development program being actively pursued, more efforts should be exercised to use donations as much as possible to meet the deficit. Official long-term loans should be relied upon as sparingly as possible and only to the extent necessary.

CHAPTER X

THE EXCHANGE SYSTEM

Basic Characteristics and Prospects

1- *Introduction*

1. The Afghan exchange system has the distinction of having no payments restrictions. Licenses for imports and exports are required only in trading with four bilateral agreement partners. There are practically no discriminatory practices prevalent elsewhere either with regard to currency or to country. Proceeds of exports that are not under surrender obligation can be used for payments to any currency area without any restriction.

2. Even under bilateral agreements, the element of discrimination is very slight and does not have much practical significance. Among agreement countries, transactions with only one, namely the U.S.S.R., are important enough to affect the basic characteristics of the exchange system. Since there are no quantitative limitations on similar imports from other non-agreement sources, the U.S.S.R. imports have to be competitive with other similar imports. If their prices and qualities were not competitive no importer would be interested in purchasing them for fear of private competition of similar goods imported from elsewhere.

3. Orderly cross rates among the main foreign currencies handled under multilateral trade are maintained by the Central Bank for official exchange only. Intervention in the free market to influence rates is limited only to occasional buying and selling of exchange to smooth erratic and seasonal variations.

4, Basically there are two official exchange rates in addition to a fluctuating free market rate. The effective rates are numerous because of the practice of mixing one of these with one or two of the others. The rate structure appears complex also because of the imposition of a levy and a surcharge on some transactions as will be explained below.

5. The main reasons for the apparent complexity of the present exchange system are manifold. One is that it developed over a fairly long period with each step taken designed to serve a specific purpose that was important at the time. Apart from this historical aspect, however, the present system has been conceived to serve several main purposes and, on the whole, it has fulfilled these functions fairly well so far.

6. One of these is to assure the Government a supply of foreign exchange at a minimum cost in local currency. Another purpose is to enable the authorities to devote adequate exchange to the importation of basic consumption commodities such as sugar and petroleum products at reasonable costs in afghanis thus making it possible to keep the cost of living low. Similarly, some exchange obtained at this low cost has been used to encourage the establishment of basic industrial concerns that are deemed essential for the economy. All this low-cost foreign exchange has been obtained from sources that are considered most able to bear the burden. These have been the exporters of commodities produced under most favourable conditions. The flexibility of the system has been such that whenever conditions of production or levels of profits vary substantially the contributions made by these exports are also changed.

7. These factors, on the other hand, have led to many drawbacks. The historical development has made the system appear patchy. Because rates were created piecemeal to meet specific situations as they arose, the system has lost its compactness and simplicity. The different levels of rates applicable to exports have often been

misunderstood and misconstrued as inequitable distribution of taxation burdens. Attempts to evade payments of such 'penalty' rates have become widespread. The evasion takes the form of underestimating exchange receipts and overestimating payments. Cost accounting for private enterprises or public projects in terms of local currency become difficult to establish and misleading if attempted. Some projects may appear economic whereas they may not be so in reality if low-cost exchange is not reckoned on. Low prices of certain consumption items inevitably encourage more imports thereof which have in turn unfavourable impact on the balance of payments situation. It is because of these and other drawbacks that serious thought is now being given to the possibility of formulating a new exchange system that will better serve the country's interests.

II - Historical Background

8. Prior to 1930, there were no banks in the country. All foreign exchange transactions were handled by private exchange dealers set up in the market places (bazaars) of Kabul and Qandahar. It is estimated that in 1930 there were about 30 to 40 such dealers in Kabul and from about 10 to 15 in Qandahar. Even the Government's requirements in exchange were bought from these dealers.

9. The political upheaval and military conflict that took place in 1930 led to a flight of capital from the country mostly in the form of gold and silver coins that constituted the only form of money at that time. Moreover, the widespread devaluations of such international currencies as sterling and francs intensified the flight movement further. The country was thus exposed to the danger of the disappearance of its only means of payments.

10. One of the first reconstruction steps undertaken by His Majesty, the late Nadir Shah, when he came to the throne in April 1931, was to constitute an organisation whose aim was to stop the loss of the country's resources of precious metals and at the same time to insure the availability of the necessary foreign exchange needed by the Government. This organisation was called Shirkati Sahami (Joint Stock Company). Its capital was 2.5 million afghanis of which the Government provided 1.7 million afghanis. The most important functions of the new organisation (which was destined to become Bank Milli) were to buy and sell gold, silver and foreign exchange.

11. A substantial expansion in the activities of the 'Shirkati Sahami' took place in April 1933 when its paid-in capital was raised to Af 7.1 million. The Government was persuaded to grant the reorganised institution a monopoly of exporting many items, the most important of which was karakul skins. The monopoly of imports of sugar and petroleum products was also granted and thus a substantial measure of control over the country's exchange resources was established. In 1937, the 'Shirkat was given the name Bank Milli and the capital was successively increased from Af 35 million, then to 60, to 200 and later to Af 500 million.

12. When the 'Shirkat' was first established in 1933 the number of 'bazaar' foreign exchange dealers was reduced down to 12 in order to strengthen the 'Shirkat's control over the exchange market. In 1934, however, all free market dealings were stopped altogether and all exchange transactions were handled exclusively by the 'Shirkat'. In 1935, a separate department was established within the 'Shirkat' to deal exclusively with exchange matters. This was the 'Nizarati Asaar' or Exchange Department. One such entity was established in Kabul in 1933 and another in Qandahar a year later.

13. From 1935 onwards the Government bought all its foreign exchange requirements through the 'Shirkat' at a fixed rate of exchange. Gold was also bought from abroad through the same establishment. Adequate quantities were accumulated to back the treasury notes issued for the first time in April, 1935 (Hoot, 1314).

14. In 1339, Bank Milli allowed 'bazaar' exchange dealers to function freely once more. The only requirement made for those wishing to operate was to register with it before transacting any business. In fact, Bank Milli itself established some branches of its own in the bazaar in its attempts to narrow the gap between the official and the free market rates.

15. There was a stipulation in the initial statutes of Bank Milli to the effect that foreign exchange transactions were to be handled by the Bank until a central bank was established. Despite the fact that this was done on March 21, 1939 (Hamal, 1318) it was not until 1943 that Bank Milli relinquished its control over exchange matters to Da Afghanistan Bank, established three years earlier. The transfer was in recognition of the exigencies of the war and the desire of the Government to exercise complete control over trade and payments through its central bank. The new system of centralised control over all exchange receipts remained in effect until 1947 when new rules were introduced.

16. Immediately after the cessation of hostilities in 1945 a sudden and substantial increase in imports took place to meet unsatisfied demand during the war. As a result of this and because exports could not expand rapidly enough to keep pace with imports, the afghani came under pressure and thus the exchange rates in terms of the three most important currencies, depreciated a great deal. The official buying rates for the kaldar (Indian rupee), the U.S. dollar and the pound sterling reached a low of Af 3.995, 13.40 and 52.57 for the three currencies respectively. At that time, Da Afghanistan

Bank pressed for a slight appreciation of the currency and adopting a par value for the afghani. The attempt failed because most traders were not in favour.

17. During 1946 and 1947, however, the rapid flow of imports slackened and exports started to move up both in volume and in value. Prices of Afghan products abroad rose and new markets were found. As a result of these favourable factors, the balance of payments situation improved substantially and the rate of exchange appreciated. It is estimated that during this period over 70 million dollars were added to official reserves.

18. In June 1947, a major change was introduced in the exchange system aimed particularly at simplifying its administration. A return to a system more like the one adopted in 1939 thus took place. Once again, the free market became of major importance as all transactions except those for the Government and certain specified industries, were transferred to the free market. The principle, however, of reserving all export proceeds of karakul for the Government was maintained but all other export proceeds were channelled to the free market once more.

19. The foreign exchange system was codified for the first time in 1938 but revised in January 21,1951 by decree No. 2632. A translation of this decree appears as a seperate annex at the end of this Chapter. This decree still forms the basis of the country's exchange system. According to this decree, the authority to propose new foreign exchange regulations or changes therein is vested in the Supreme Council of Da Afghanistan Bank which must obtain Government approval before such regulations or changes can be applied. The main object of the decree is to satisfy Government needs for foreign exchange. Exchange available in excess of these needs is to be made available for other essential purposes. Da Afghanistan Bank is required to insure that any remaining exchange is used for imports of needed goods and procurement of useful services. Thus all capital movements must be explicitly authorised and licensed.

III- The Present Exchange System

An Analytical Review

Introduction

20. Since its institution, the exchange system has undergone a substantial number of changes. These have, on the whole, been in the form of requiring exporters of karakul, wool and cotton (and lately also other goods such as carpets and casings) to surrender all or part of their export proceeds at official buying rates with the proceeds to be made available to the Government sector, for use both to finance Government budget expenditures and certain industrial projects carried out by the private sector.

21. The buying rates applicable for surrender have usually been a mixture of a 'budget' rate, an 'industrial' rate, and sometimes the 'free market' rate as well. On the selling side, imports or payments made by the Government or by private industry approved by the Government, have taken place at the 'budget' rate or the 'industrial' rate, while those of others have taken place at the 'free market' rate. The aim of this system has been to give preferred treatment to the Government sector and to specific industrial projects considered particularly important from a national point of view. Bilateralism is another important feature of the exchange system. This aspect will be dealt with under a separate section below.

22. While there are basically three exchange rates, the budget rate, the industrial rate and the free market rate, the effective exchange rates have increased in number over the years as the surrender requirements for karakul, cotton, wool and certain other exports have become more involved. Mixing one rate with one or two of the other rates at varying percentages has resulted in a number of different effective rates. The addition of taxes and levies to some selling transactions has also resulted in more effective rates. However, a large part of Afghanistan's exports have consistently been transacted at the free market rates including in particular exports of fruit which form the most important single export item at present.

III-A The Rate Structure

23. The Budget Rate: The buying budget rate was Af 14.00 to one U. S. dollar in 1948, depreciated to Af 16.80 per U. S. dollar in September, 1949 and again depreciated further to Af 20.00 in September, 1956.

24. The Industrial Rate was equal to the budget rate at the end of World War II. In April 1945 it was Af 13.0446 per U. S. dollar but in April, 1949 it was depreciated to Af 17.50 per dollar and again in September, 1949 to Af 21.00 per U.S. dollar. A further depreciation was undertaken in September, 1956 when the rate was fixed at Af 28.00 per U.S. dollar.

25. The following table traces the development of the two official rates for the period Hamal,1332 to Hamal 13, 1338 (March 1943 to April 1959).

Official Exchange Rates

Hamal, 1322 to Hamal, 1338 (March, 1943 to April, 1959)

(In Afghanis per U.S. Dollar)

Date					Budget Rate (First Category)		Industrial Rate (Second Category)	
Calendar		Solar			Buying	Selling	Buying	Selling
March	1943	1	Hamal	1322	13.0446	13.4446	...	...
June	1943	20	Jowza	1322	...	...	15.4254	15.8005
Sept.	1943	20	Sunbula	1322	...	...	15.2602	15.6997
Sept.	1943	3	Mizan	1322	...	...	14.8638	15.2290
Sept.	1943	17	Mizan	1322	11.5583	12.4446	...	...
Nov.	1943	10	Akrab	1322	...	...	13.0446	13.4446
Dec.	1943	19	Kous	1322	13.0446	13.4446	13.7050	14.1168
Jan.	1944	19	Jady	1322	...	...	14.2004	14.6210
Sept.	1944	25	Sunbula	1323	...	...	13.7050	14.1168
April	1945	24	Hamal	1324	...	...	13.0446	13.4446
July	1956(×)		Assad	1335	16.8000	17.0100	21.0000	21.2600
Oct.	1957		Mizan	1336	20.0000	20.2500	28.0000	28.3500
April	1959		Hamal	1338	20.0000	20.2500	28.0000	28.3500

(×) : At that date there was also a third category official rate of Af 30.00 buying and Af 30.37 selling per U.S. dollar.

26. The free market rate has fluctuated widely. At the time of the introduction of the 1947 exchange system the rate was Af 17.15 U.S. dollar and since then it has consistently been more depreciated than the official budget or industrial rates. During 1959, and 1960, however, this rate appreciated significantly from an average of Af 55.09 per dollar in 1958/59 to Af 46.67 in 1959/60 (15.3%) and again to an average of Af 41.78 per U.S.dollar (10.5%) during the seven months to the end of Assad 1339 (August 22nd 1960). The average annual free market rates of the four most important currencies quoted in Kabul bazaar are given below:

Annual Averages of Free Market Rates of Foreign Exchange in Kabul

(In Afghanis per Unit of Four Leading Currencies)

Year - Currency(×)	U.S. Dollar		Pound Sterling		Indian Rupees.		Pakistani Rupees	
		%		%		%		%
1335 (1956/57)	54.13	...	146.76	...	10.7969	...	7.6255	...
1336 (1957/58)	54.36	— 0.4	149.80	— 2.1	10.4111	— 3.6	7.0148	— 8.0
1337 (1958/59)	55.09	— 1.3	152.16	— 1.6	10.4784	— 0.6	7.1459	— 1.9
1338 (1959/60)	46.67	+15.3	128.66	+15.4	8.3539	+30.3	6.1699	+13.7
1339 (1960) (××)	41.78	+10.5	115.35	+10.3	6.1978	+25.8	5.5612	+ 9.9

(×) : Percentages show afghani appreciaton (+) or depreciation (—) from preceding period.

(××) : Average of seven months ending August 22,1960 (From Dalw, 1338 to Assad,1339).

27. The applicable exchange rates are given in detail in the schedule below which gives both the buying and selling rates as well as the types of receipts and payments which are transacted at the various rates. It will be noted that the taxes and levies are collected at the time of selling foreign exchange.

28. Exchange is bought at the following rates for each U.S. dollar or its equivalent in other currencies (effective August 24, 1960 when the free market buying rate was approximately Af 40.00 per dollar).

1. Af 20.00: This is the Budget rate. It applies to 30% of the salaries of foreign employees of the Afghan Government and to all the exchange converted to local currency by the Central Bank for all the diplomatic establishments.
2. Af 24.36: This is a mixed rate made up of 68 per cent at the Budget rate (20.00), 17 per cent at the Industrial rate (28.00) and 15 per cent at the Free Market rate (40.00). It applies to proceeds from exports of Karakul skins.
3. Af 26.40: This is a mixed rate made up of 20 per cent at the Budget rate (20.00) and 80 per cent at Industrial rate (28.00). It applies to the proceeds of exports of cotton and wool to bilateral agreement countries other than India.
4. Af 28.00: This is the Industrial rate. It applies to conversion into afghanis of foreign capital invested in Afghanistan and registered under the 1951 law. (The 1958 law legalized the conversion of new capital at the free market rate).
5. Af 28.44: This is a mixed rate made up of 17 per cent at the Budget rate (20.00), 68 per cent at the Industrial rate (28.00) and 15 per cent at the Free Marke rate (40.00). It applies to proceeds from exports of cotton and wool to other than bilateral agreement countries.
6. Af 35.20: This is made up of 40 per cent at the Industrial rate (28.00) and 60 per cent at the Free Market rate (40.00). It applies to proceeds from exports of sesame seeds.
7. Af 36.00: This is made up of 20 per cent at Budgetary rate (20.00) and 80 per cent at the Free Market rate (40.00). It applies to the proceeds of exports of sheepskins and goatskins.
8. Af 38.00: This is made up of 10 per cent at the Budgetary rate (20.00) and 90 per cent at the Free Market rate (40.00). It applies to the proceeds from exports of casings.
9. Af 38.20: This is a mixed rate made up of 15 per cent at the Industrial rate (28.00) and 85 per cent at the Free Market rate (40.00). It applies to the proceeds from exports of carpets and flaxseed.
10. Af 40 00: This is the approximate fluctuating free market rate. It applies to all other exports subject to an import obligation. It also applies to all other receipts in foreign exchange. In particular, it applies to exchange proceeds of Afghan nationals' services, to tourists' expenditures in the country and to various other receipts from invisibles. Conversion of foreign capital invested under the 1958 law is undertaken at this rate.

29. Exchange is sold at the following rates for each U.S. dollar (or its equivalent in foreign currencies at an orderly cross rate).

1. Af 20.25: This rate is made up of the Budgetary rate (20.00) plus Af 0.25 as a selling commission. It applies to expenditures by the Government including those by the Ministry of Court, the Ministry of Foreign Affairs and purchases of monetary gold. Freight and insurance on these imports are also undertaken at this rate.
2. Af 28.35: This is made up of the Industrial rate (28.00) plus Af 0.35 as selling commission. It applies to Government imports including essential imports in connection with the Development Plan.
3. Af 30.35: This rate is made up of the Industrial rate (28.00) plus Af 0.35 as selling commission and Af 2.00 as Exchange Tax. It applies to imports of consumer goods by the Government Monopolies Department (sugar and petroleum products) and freight and insurance thereon.
4. Af 32.35: This is made up of the Industrial rate (28.00) plus a commission (0.35), Af 2.00 as an exchange tax and an additional tax of Af 2.00 as surcharge levied for the 'encouragement of exports'. It applies to essential imports including freight and insurance thereof, industrial equipment, motor vehicles and parts, cotton piece goods for the Government Cooperative Depots, imports by municipalities, other essential goods such as tea, cement and medicines to counter domestic price increases, business travel by industrialists, medical expenses, students' expenses abroad, authorised pilgrims' travel and repatriation of

foreign capital registered under the 1951 law and profits thereon.

5. Af 40.50 (approx): This is the selling fluctuating free market rate. It applies to repatriation of capital and profits thereon permitted by a special license under the 1958 'Encouragement of Foreign Capital Investment Law'. It applies also to exchange payments for all other imports, freight and insurance thereon and to some other payments for invisibles.

30. As the Government's requirements for foreign exchange have grown, not only as the result of the implementation of the First Five-Year Plan (beginning in September, 1956) but also because of the general expansion in government and industrial activities, the exchange surrender requirements had to be adjusted. In making these adjustments, the authorities have aimed at requiring surrender at budget rates (the most appreciated or lowest) of as much exchange as possible. At the same time, it was found necessary to shift surrender requirements from the budget rate to the more depreciated (higher) industrial rate and lately even to the free market rate (the most depreciated or highest). These changes have become necessary as the surrender requirements at the more appreciated rates have been found to have undesirable effects on the country's incentive to produce and export.

31. At the same time, it was also found necessary to transfer payment for imports from the 'budget' rate to the higher 'industrial' rate and in some cases to the free market rate in order to limit the demand for imports and to reduce the amounts spent by the Government in subsidising the import of some items through exchange manipulation. In fact, at times the Central Bank found it difficult to satisfy fully the demand for exchange by the Government and by certain industries from the surrendered proceeds of karakul, wool and cotton. The large spread between the free market rate and the official rates (budget and industrial) made it difficult to supply exchange for the Government by buying exchange in the free market at depreciated rates and selling it at the appreciated official rates. Thus some measures were taken to reduce the sale of exchange at the appreciated rates.

32. Among these measures, a special selling rate of Af 30.35 was established in March, 1959 but made effective retroactively from September 20, 1958, for imports of certain commodities by the Government Monopolies. The commodities involved, mainly gasoline, lubricants and sugar, were earlier imported at the effective rate of Af 22.25. However, as insufficient exchange was available at the budget rate for certain Government departments' imports of some commodities, it was found necessary to shift these commodities to a modified industrial rate (30.35). The low domestic price of sugar was maintained through a reduction of the fiscal levy previously imposed on sugar while the prices of gasoline and lubricants were adjusted upwards including the imposition of additional taxes to offset the loss of revenue from the continued subsidy of sugar.

33. The effective rates, based on the official selling and buying rates, are applied by the Da Afghanistan Bank in most of its transactions, while the other bank authorised to deal in foreign exchange, the Pushtany Tejaraty Bank, deals in foreign exchange on the 'free market'. The Da Afghanistan Bank also quotes 'free market' rates which since the fall of 1958 also are applicable to part of the export proceeds for karakul, wool and cotton. However, the free market rates quoted by Da Afghanistan Bank are generally lower, i. e., more appreciated, than those quoted by the Pushtany Tejaraty Bank or in the 'bazaar'. Thus in fact there are three slightly different free market rates at any given moment.

34. While Da Afghanistan Bank does not generally intervene directly on the free market through selling or buying exchange it does indirectly affect the rates prevailing in the 'bazaar' as well as that of Pushtany Tejaraty Bank. On the whole, Da Afghanistan Bank aims at maintaining its rates for some time without following the continuous daily fluctuations in the 'bazaar'. However, in order to avoid too great a spread between the free market rates in the 'bazaar' and that of Da Afghanistan Bank, the Bank adjusts its rates periodically in accordance with the prevailing trend in the 'bazaar'. The spread on the buying or selling side between the free market rates quoted by Da Afghanistan Bank and those in the bazaar may amount to about four afghanis per one U.S.dollar, with Pushtany Tejaraty Bank maintaining rates within this spread.

35. On the whole, 'bazaar' rates reflect more truly demand and supply conditions. Sometimes, however, these rates are influenced by arbitrage operations and other factors not necessarily connected with genuine commercial transactions. Free market transactions undertaken by Da Afghanistan Bank require the officially prescribed documents both of a commercial and governmental nature (e.g. in case of exchange for travel or medical treatment abroad). It is believed that many customers are willing to pay the 'bazaar' premium in order to avoid these formalities which often are time-consuming.

36. The annual averages of free market rates in the 'bazaar' for the four main currencies in recent years were given above. The monthly average rates on which these rates are based are given in the Statistical Appendix in Part III of this Survey. A diagram showing the fluctuations of the different rates is given in the same Appendix,

37. It can be seen from studying the monthly rates and

especially from a careful examination of the diagram that the most striking development in 1958-60 is the large appreciation (rise) in the value of the afghani in terms of all foreign currencies.

38. Various factors are believed to have caused this development. One was the introduction in the fall of 1958 of the requirement referred to above, that part of the export proceeds of karakul, wool and cotton (15%) could be disposed of freely in the bazaar at the free market rate which inevitably increased the supply of exchange in this market. Another factor was the exceptionally favourable year for exportable crops, fruit in particular, in solar 1338 (1959/60). It is tentatively estimated that exports in 1338 were higher than in 1337 by about 80 to 100 million afghanis (or approximately two million dollars at the prevailing free market rate). Recently, a regulation was introduced stating that in order to import tea, cotton textile and silk piece goods, the importer must show that he has sufficient exchange obtained by exports of dried fruits. This regulation, dated January 10, 1960, was motivated by an attempt to counteract the cut in the exports of dried fruits forced upon Afghanistan by Indian balance of payments difficulties and also by the desire to stimulate and protect domestic textile production. This step must have had a favourable impact on the rate. Moreover, higher customs duties on imports of textile goods were imposed in 1959 with the same aim in view.

39. Another regulation - issued in April 1959 - imposing greatly increased warehouse charges on goods left in customs houses is believed to have resulted in quicker repatriation of export proceeds. The volume of imports may have thus been reduced because traders have to pay their customs duties soon after the goods are received. In the past, some traders were in the habit of importing goods and leaving them lying in customs houses until sold. Now they are careful not to order goods they are not able to dispose of immediately on arrival.

40. The recent intensified use of foreign credits for development purposes has necessarily reduced the pressure on the balance of payments and protected the afghani. Grants and foreign loans have recently been used not only to import capital goods but in some cases also basic consumer goods such as wheat, fats and petroleum products. If local resources were used for payments, the value of the afghani in the free market might have depreciated or at least the recent appreciation would not have taken place.

41. The flow of foreigners coming to Afghanistan either on business or for tourism has perceptibly increased during the last two years. The large living expenditures of these non-residents have swelled the supply of foreign currencies in the free market and inevitably pushed the value of the afghani up in terms of foreign currencies.

42. The appreciation of the afghani in terms of Indian rupees was particularly striking. During 1338 and the first six months of 1339 the percentage appreciation in the afghani--Indian rupee rate amounted to 30.3 and 25.8 per cent respectively. (See diagram in the Appendix). The main reason for this development was the restriction imposed by India on the convertibility into sterling (previously allowed) of all proceeds of Afghan exports to India. All payments are now chanelled through a bilateral account that must balance in conformity with the trade agreement concluded between the two countries as will be explained below.

III-B BILATERAL TRADING

43. Afghan trading under bilateral arrangements is relatively substantial and has recently shown an upward trend. Imports from and exports to agreement countries require licenses. Licenses for free market imports from and exports to these countries are issued simultaneously and to the same magnitude. Currencies acceptable for payments are normally U.S. dollars or pounds sterling for accounting purposes. Clearing accounts are maintained with defined swing clauses with all bilateral payments agreement countries. This means either party can be creditor or debtor to the other up to a certain specified sum before settlement is required. Bilateral agreement or 'barter' countries are the U.S.S.R., Czechoslovakia, Poland and China in that order of importance. In addition, there are also trade arrangements with Western Germany, India and the U.A.R. but these do not have bilateral features. In the past, some barter deals took place with France, Italy and Japan.

44. With some of these agreement countries there are quota lists and agreed prices for some of the goods to be exchanged. On the whole trade is carried out on a compensation basis and usually both imports and exports are arranged by one and the same trader. When swings are specified and whenever these are exceeded the indebted party effects payments in a currency acceptable to the creditor. In order to avert the possibility of accumulating unneeded claims with some bilateral partners the Afghan authorities have endeavoured to introduce payments transferability features in their agreements. A recent example was a protocol addended to the Czechoslovakian agreement.

45. All payments agreements are supplemented by trade arrangements. Under all these, quota lists and sometimes prices of items are agreed upon and are periodically revised by separately negotiated protocols. It is allowable, however, to exceed the quotas specified.

46. Some commodities are quantitively allocated between the bilateral agreement countries on one hand and

multilateral markets on the other by specifying a fixed proportion of the total to be sold to multilateral markets.

47. The purpose of this practice is to insure the fulfilment of obligations under the agreement and at the same time to insure the availability of convertible currencies from other sources.

48. It has thus been found necessary to limit the quantities of cotton and wool sold to agreement countries by requiring exporters to sell at least one quarter to multilateral outlets. As stated, this restriction has been found necessary to insure the availability of convertible currencies and to limit the accumulation of bilateral claims that may not be urgently needed. Prices obtained for these commodities from 'barter countries' are usually higher and thus induce more exports.

49. Brief outlines of the main agreements now in force are given below:

50. Payments and trade agreements were concluded with the U.S.S.R. in July 1950. The payment covers payments for goods, transport charges and other services. All these payments and repayments of credits extended to Afghanistan are effected through clearing accounts that are held by Da Afghanistan Bank and the Central Bank of Moscow. These accounts are held in U.S.dollars. Each party may extend to the other a swing margin initially set at 200,000 dollars beyond which an interest rate of 2 percent is charged until settlement. Subsequently this margin was increased to one million dollars. Any outstanding balance would be finally settled on the basis of the international price of 35 dollars per ounce of gold.

51. The trade agreement was initially for four years but has been renewed periodically ever since. Each protocol includes quantity and value quotas for the goods to be exchanged. Prices are specified for some items. However, transactions may take place outside the list annexed to the agreement or protocols and beyond the quotas given therein. Because exporters to the U.S.S.R. are required to import goods to the same value often the same person or institution carries out both operations. An export license often implies an import license.

52. The goods that are customarily sold to the U.S.S.R, are cotton, wool, skins, fruits and oil seeds. The commodities usually imported are petroleum products, motor vehicles with spare parts, sugar, tea, textiles and building materials. An analysis of the volume and type of trade between the two countries will be given in Chapter XI of this Survey.

53. The following table indicates the value of trade and other payments between the two parties under the agreement. These are based on the foreign transactions records of Da Afghanistan Bank and have already been used in the balance of payments estimates published in this Survey, both in this issue and in the previous one.

		Exports (Receipts)	Imports (Payments)	Balance
1336(1957/58)	Af	860,180,879.52	664,511,289.18	195,669,590.34
1337(1958/59)	Af	412,563,495.95	446,681,421.14	— 34,117,925.19

The rate of conversion is 1 dollar = Af 20.25

54. The above figures cover not only the price of goods exchanged but also freight charges for goods passing through the U.S.S.R. even if they are not of Russian origin. In accordance with the transit agreement of June 1955 between the two countries such charges may be channelled through the clearing accounts. The figures quoted above also include repayments of principal and interest on loars extended.

55. The bilateral agreement with the U.S.S.R. is considered the most favourable. Prices obtained for cotton and wool are often higher than those prevailing in world markets. In fact Afghan wool is of a type that is more readily marketable in the U.S.S.R. than elsewhere. Prices paid for such basic and standardised items as sugar and gasoline are quite comparable with those prevailing internationally. The fact that Russian sugar and oil refineries are fairly close to the Afghan border has enabled the Soviet Union to quote favourable prices since the cost of freight and other handling charges are minimal. Similarly because the woollen and cotton textile mills are close to the border it was possible for Afghan cotton and wool to fetch higher prices as such charges as freight to destination are also minimal.

56. Payment and trade agrements were concluded with Czechoslovakia in August 1954 renewable automatically unless cancelled by either party before expiration. Clearing accounts in pounds sterling were established in the two central banks through which all payments for goods, freight and other services, are channelled. Payments for credits extended are also settled through these accounts. The maximum of the swing margin allowed was initially set at £80,000 but subsequently raised in stages to £250,000. Final settlement of outstanding balances shall be in sterling or in any currency acceptable to the creditor. Settlement can be made in goods within one year after the termination of the agreement. Beyond that period, the

balance would carry an interest rate of 3 per cent. Although the October, 1958 protocol allowed triangular trade and triangular settlement none has taken place so far.

57. The annually renewable protocol attached to the agreement specifies volume and value quotas and in some cases, prices. Trading is allowable over and above these quotas. Among the most important exports are cotton, wool, fruits, skins, casings and oil seeds. Among the chief imports are machinery, electrical equipment, motor vehicles, paper and building materials.

58. The value of imports (payments) and exports (receipts) and the balance under the agreement were as follows. These figures are obtained from the clearing department of Da Afghanistan Bank.

		Exports (Receipts)	Imports (Payments)		Balance
1335(1956/57)	£	334,000	418,000	—	84.00
1336(1957/58)	Af	99,489,841.80	109,313,123.80	—	9,823,282.00
1337(1958/59)	Af	107,857,562.61	82,486,428.00	+	25,371,134.61

The rate of conversion is £ = Af 56.70

59. Trade and payment agreements were concluded with Poland on August 2, 1956. These are renewable annually unless terminated by either party four months before expiration. Settlement is made through accounts designated in U.S. dollars and held by the central banks of the two countries. Accounts cover payments for goods and services including freight and insurance charges. Settlement of outstanding indebtedness beyond the 300,000 dollars swing limit is effected in goods by mutual agreement. On termination, final settlement must be made in goods within nine months and any outstanding balance thereafter is to be paid in mutually agreed-upon currencies.

60. Trade between Afghanistan and Poland is to be carried out on a compensation basis. Exchange of goods could be made beyond the quotas agreed upon. Prices have been specified for certain items. Exports include cotton, wool, dried fruits, hides and skins, oil seeds and furs and imports include machinery, radios and other items (See chapter XI on Foreign Trade).

61. The latest available figures of payments and receipts under the agreements are as follows. These are not trade figures alone but inclusive of other transactions. The same figures have been used in chapter IX on Balance of Payments.

		Exports (Receipts)	Imports (Payments)	Balance
1336(1957/58)	Af	22,178,392.74	17,904,208.98	+ 4,274,183.76
1337(1958/59)	Af	51,798.93	2,114,429.37	— 2,062,630.44

Conversion rate used 1 U.S. dollar = Af 20.25

62. Trade and payments agreements were concluded with the Peoples' Republic of China on July 28, 1957. These are automatically renewable annually after the initial period of two years unless either party gives a four-month cancellation notice before their expiry. All payments are effected in pounds sterling through clearing accounts held by the central banks of the two contracting parties. There is a swing margin of £30,000 to be calculated at the end of each accounting period of six months. Any excess over this limit is to be settled in goods within the following year. Any remaining balance beyond this period is to carry an interest rate of 3 per cent. All outstanding balances are to be settled either in pounds sterling or any acceptable currency to the creditor.

63. Trade betwen the two countries is to be carried out according to a list without restricting trading to that list. No quotas or prices have been agreed upon.

64. Among the chief Afghan exports are oil seeds and dried fruits and nuts and the main imports are tea, paints and cotton and silk textiles.

65. Figures of payments and receipts are available only for 1337 (1958/59) and follow:

	Exports (Receipts)	Imports (Payments)	Balance
1337(1958/59)	Af 410,635.29	—	+410,635.29

The rate of conversion is £ = Af 56.70

66. Prior to June, 1957, trade with India was completely free and all export proceeds were convertible to pounds sterling. On that date, India imposed a ceiling on its imports from this country amounting to 33.5 million Indian rupees. Proceeds from exports to India became non-transferable. However, in July, 1958 by virtue of an exchange of letters between the two countries, the ceiling on exports to India was lifted subject to a condition that imports and exports values must be balanced. A list of

goods was attached although exchange of other goods that subsequently became available, was not excluded. The agreement is for one year, renewable upon two months notice. Trade figures between the two countries will be analysed in Chapter XI.

67. Trade and payments agreements were concluded with Western Germany on January, 1958 and made effective as of March, 1958 (Hamal 1, 1337). Payments are effected in freely convertible Deutsche marks, U.S. dollars, or free Swiss francs This agreement superseded an earlier one under which payments were made in partially convertible Deutsche marks. The new agreements do not have the usual bilateral trading features nor do they include lists of goods to be exchanged between the two countries. Trade transactions with Western Germany will be analysed in the following chapter on Foreign Trade

68. A trade agreement without bilateral features, was concluded with France in January, 1959. Each party extended to the other the most-favoured-nation clause concerning customs duties. Future negotiations with a view to avoiding double taxation were indicated. Arrangements for the establishment of businessmen and commercial attaches in each of the two countries were made. Lists of goods that may be exchanged, were attached to the agreements.

IV- Immediate Prospects

69. The Government's strong desire to foster rapid economic development is inducing the authorities to review the present exchange system. Any further change, however, must preserve the many desirable features of the present system. One of its most salutary aspects is the absence, under multilateral trading, of any export or import restrictions or currency discrimination. Thus a free exchange market where rates are determined solely by the interplay of demand and supply, is an equally desirable feature that will be maintained so long as it is felt that it continues to serve the best interest of the economy and so long as this market is not found to be unduly influenced by harmful speculations.

70. Bilateral trade is somewhat restrictive and might at times distort the normal patterns of trade based on cost factors but it is believed that under present conditions bilateralism especially with the leading partner (the U.S.S.R) is advantageous. It will, therefore, be continued so long as it remains beneficial to the country's economy. Some attempts have and will be made to introduce transferable features to the accumulated balances to render them usable multilaterally.

71. There are, however, some aspects of the present exchange system that are recognised to be disadvantageous. Because of the multiplicity of the existing rate structure the true value of the afghani is not clearly evident. Some maintain that its true value in terms of foreign currencies is that established in the free exchange market. Others argue that it is the average of the rate in the 'bazaar' and the complex rates applicable to various budgetary and industrial purposes, if such an average can be computed with certainty.

72. The lack of stability in the existing rate adds an unnecessary element of uncertainty in trading and long-term investment plans. It is also recognised that the present system hides the true costs of investment in terms of local currency. Because some enterprises or imports are afforded foreign exchange at artificially favourable rates it is difficult to appraise the true soundness of projects. Thus it is possible that valuable resources may be inadvertently squandered on uneconomic ventures.

73. The present system lacks the flexibility needed to adjust export proceeds in afghanis paid to some exporters without affecting the exchange rate. If conditions of local production or marketing abroad make it imperative to alter the amounts in afghanis that should be left in the hands of the exporters, it becomes necessary, under the present system, to alter the rate of exchange thus adding yet another effective rate to the many already in use.

74. The uncertainty concerning the value of the afghani in terms of other currencies adds a further reason for the present shying away of foreign capital from investment in Afghanistan. Even local saving may be converted to other currencies and held in foreign lands, thus depriving the Afghan economy of urgently-needed capital.

75. In view of these considerations an exchange reform is being envisaged. Although the details have not yet been decided upon, it is not too early to outline tentatively the basic changes considered indispensable for sustained economic development. Needless to say, the new system must incorporate the best features of the present one and avoid its worst shortcomings. It should for instance maintain the present freedom from trade restrictions and discriminations. The free market 'bazaar' rates need to be given wide rein in order to achieve and maintain equilibrium between total payments and receipts without quantitative restrictions. At the same time there must be adequate safeguards against harmful speculation in the free market. The present multiplicity of rates needs to be replaced ultimately, if not immediately, by one official rate.

76. If for the time being one official and a free market rate are allowed to exist side by side, some efforts should be made to keep the spread between these rates as narrow as possible. Authorised institutions should be required to buy and sell exchange and afghanis to achieve reasonable stability. Efforts should be directed to ironing out only erratic and seasonal fluctuations but not basic tendencies arising out of fundamental disequi-

librium. Provision of additional incentives to exporters and preferential treatment to importers would thus be brought out in the open by calling them 'taxes' and 'subsidies' respectively. Clear accounts of these would then be kept separately and reviewed periodically to appraise accurately their true impacts as compared with their cost to the country. It would be possible to achieve a high degree of flexibility by increasing or decreasing these 'taxes' or 'subsidies' without altering the value of the afghani in terms of foreign currencies. The relative stability thus achieved in the rate would no doubt encourage foreign capital investment and persuade Afghan capital to remain at home

77. If these steps were well coordinated and experience showed the provisional rate to have been well chosen, the ultimate goal of declaring an internationally-acceptable and easily-maintained rate for the afghani would have been achieved without undue strain or disruptive changes.

78. If the suggested course outlined above should be decided upon no problems would have to be solved before taking the first steps towards overhauling the system. There would, for instance, be no need to make elaborate calculations beforehand to determine what the new rate must be. All such calculations must, under present circumstances, be enlightened guesses at best. It would be safe and not unreasonable to choose as the provisional official rate one close to that of the prevailing free market. If it proved untenable it could be abandoned and another adopted before a firm commitment to any par value is made.

79. Similarly, there would be no justifiable fear for any increase in local prices because the same rates would continue to be applied to each category of imports as before the reform. The only difference would be that instead of affording some essential imports a special 'rate' they would be given 'subsidies' of a specified magnitude. Initially at least, exactly the present amount of support should be maintained for each category of such imports. Similarly, there would be no need to determine what rate should be applied to this or that category of exports. Exactly the same net proceeds in afghanis would be obtained by each type of exporter as at present. Thus the reform would not be likely to meet with opposition from any quarter. The only difference would be that the Government's profits from the operation would be called 'taxes' and would be used to meet the unchanged subsidies mentioned above. Initially there would be no need to be concerned with whether the two sides would be equal. The position would be exactly the same as at present.

80. There would also be no need to tackle the thorny problem of how to dispose of the revaluation 'profits'. Since no irrevocable step concerning the par value would have been taken, this problem would not arise. In brief, a great simplification of the present system would have been achieved without disturbing the status quo.

81. It is obvious that for such a system to be workable it must be supported by maintaining the sound monetary and fiscal policies now being doggedly pursued. It is clear that if inflationary pressures were allowed to build up unchecked, balance of payments difficulties would ultimately force the provisional rate out of line and eventually wreck any attempt at stabilization besides shaking confidence in any future attempt. No matter how well devised or carefully operated any system may be, internal monetary stability is an indispensable condition for success.

CHAPTER X

ANNEX - I

Decree No. 2632 (January 21, 1951)

Foreign Exchange Regulations in Afghanistan

In order to regulate and balance the exports and imports of the country and fix the rate of afghani against foreign currencies, the following rules are approved:

Article 1

Buying and selling of foreign currencies, transfer of foreign currencies to other countries, together with all transactions related thereto, are strictly prohibited in Afghanistan except in accordance with the following rules and regulations.

Article 2

All foreign currencies earned through the export of goods shall be surrendered after deducting all expenses to Da Afghanistan Bank and sold against afghanis according to the following rules.

a) The Council of Ministers shall fix, according to proposals made by the Supreme Council of Da Afghanistan Bank, the percentage of all foreign currencies earned through the export of merchandise to be surrendered to the Bank.

b) Fixing and altering the afghani rates for buying and selling of foreign currencies is the prerogative of the Council of Ministers which shall act according to the country's economic and monetary needs.

Article 3

The foreign exchange needed by the Government, according to the budget, prepared by the Ministry of Finance and approved by the Council of Ministers and other lawful bodies, shall be provided by Da Afghanistan Bank.

Article 4

Economic projects needing foreign exchange proposed by national institutions or Government departments shall first be submitted to the Ministry of National Economy(x) and then to the Currency Commission for investigation. The Currency Commission shall be constituted according to article 6 below. Proposals shall then be submitted, after approval by the Foreign Currency Commission and the Supreme Council of Da Afghanistan Bank, to the Council of Ministers for final decision.

Note: Government budgetary needs shall have first priority claim over the country's foreign exchange holdings. The next priority shall be for projects under approved development plans.

Article 5

The foreign exchange needs of productive institutions shall be referred first to the Ministry of National Economy (x). After approval of the Foreign Currency Commission and the Supreme Council of Da Afghanistan Bank, the sums assigned shall be paid to the designated institutions.

Note: The foreign exchange needs of projects approved before this Act shall be payable after the consent of the Currency Commission and of the Supreme Council of Da Afghanistan Bank, have been obtained.

(x) : Functions of this Ministry were assumed in 1956 by the Ministries of Planning and Commerce.

Article 6

The Foreign Currency Commission shall be composed of five members; three of whom shall be appointed by the Finance Ministry, the Ministry of National Economy and the Bank Milli respectively and the other two by Da Afghanistan Bank. The rank of the representatives of the Ministries shall not be less than Deputy Minister and that of the Banks' not less than Assistant President.

Article 7

Any surplus or deficit in foreign currencies referred to in article 2, both the total at the end of the year and amounts for individual projects, shall be reported by Da Afghanistan Bank to the Minister of National Economy. The said Ministry shall be empowered to investigate the matter through the authorities concerned.

Article 8

The balance between the foreign exchange earned through the export of merchandise and amounts surrendered to the Bank shall be put freely at the disposal of merchants and firms earning it. Such balances shall be used for importing needed goods into the country. In this case a guarantee shall be given to Da Afghanistan Bank that goods equal in value to the balance shall be imported.

Note: The manner in which these guarantees shall be given, the mode of transfer and the way in which the accounting shall be made shall be set out in detailed regulations prepared specifically for the purpose by Da Afghanistan Bank.

Article 9

Every exporter shall be required either to import goods equal in value to a fixed percentage of the exported merchandise or to sell any excess foreign currency at a specified rate to Da Afghanistan Bank.

The percentage shall be fixed in accordance with article 2 of this Decree after deducting real business expenses from the sale price of the merchandise.

Article 10

Each merchant's sale prices of exported merchandise and purchase prices of imported merchandise shall be calculated after deducting the real business expenses incurred.

Bills and invoices for exported and imported merchandise shall be subject to investigation by Da Afghanistan Bank. They shall be certified by the Bank's representatives according to the currency regulations in force.

Article 11

Merchants or other individuals earning foreign exchange in ways other than through exports shall be free to import goods to the amount of the exchange earned or sell it to the Bank or merchants guaranteeing to import goods to the same amount.

Article 12

Persons who travel to foreign countries for recreational, medical or other necessary purposes shall be permitted to export goods to the value of one thousand afghanis without guaranteeing to import goods for that amount.

Article 13

Export of gold and silver shall be strictly prohibited without the written consent of the Council of Ministers issued to the Customs through the Ministry of National Economy and subject to the formalities of the Customs.

Article 14

Travellers to or from Afghanistan shall be permitted to take out or bring in not more than five hundred afghanis in bank notes.

Note: Notes permitted to be taken out or brought in (up to the five hundred afghanis allowed) shall be in two and five afghani bank-notes only.

Article 15

Foreign subjects entering Afghanistan shall declare the foreign currency in their possession to the Customs Officers at the Afghan border and such amount shall be certified in their passports.

Foreigners wishing to leave Afghanistan shall approach Da Afganistan Bank to authorise deduction of the amount they have spent (according to their mode of living). They shall be allowed to take the rest of the above-mentioned currency out of the country with written permission.

Note: Those living in Afghanistan as guests or earning their living expenses in the country shall be allowed to take with them the total amount they had imported.

Article 16

Foreigners having come to Afghanistan as employees shall be required to exchange at least 30% of their foreign currency income into afghanis at the fixed rate of exchange in Da Afghanistan Bank.

Article 17

Afghan nationals having to go to foreign countries for medical treatment shall be permitted to buy foreign currency needed in conformity with approved regulations provided the necessity for their treatment abroad is advised by the Ministry of Health.

Article 18

Da Afghanistan Bank shall sell foreign currency at the Bank rate when such currency is required for Afghan students studying abroad at their own or national institutions expense, provided such expenses shall be certified by the Ministry of Education and provided that such expenses shall not exceed the expenses incurred by government students abroad.

Article 19

Da Afghanistan Bank shall sell foreign currency as needed to the Pilgrims of Haj and other Holy places after the approval of the Ministry of Interior, the Ministry of National Economy and the Currency Commission.

Note: The Currency Commission shall determine the amounts of foreign exchange needed for each pilgrim.

Article 20

Da Afghanistan Bank shall sell foreign currency at a fixed rate of exchange to those buying professional and scientific books or magazines, with the consent of the Currency Commission.

Article 21

As an exception to the foregoing articles Da Afghanistan Bank shall be empowered to export in banknotes any foreign currency to be credited to its accounts abroad through any of its foreign dealers.

Travellers shall be permitted to export their foreign currency requirements in foreign bank notes, provided the said bank notes are provided to them by Da Afghanistan Bank according to its rules and regulations.

Article 22

The publication of these rules shall automatically render all previous rules and regulation regarding exchange invalid and abrogated.

Article 23

Da Afghanistan Bank shall be hereby authorised to apply these rules and made responsible for their application.

Da Afghanistan Bank shall formulate its own internal regulations to carry out these rules and put them into force.

CHAPTER XI

RECENT FOREIGN TRADE DEVELOPMENTS

I- Introduction

1. Foreign trade is the most developed sector of the Afghan national economy in comparison with agriculture, industry, transport and communications. Banking was first developed in response to the needs of foreign trade. The first national bank was established mainly to assist exporters with their foreign exchange requirements. The large profits made by the bank and its major founders were later used to finance the first large-scale industrial enterprises in the country.

2. The Government and governmental agencies continue to take a major role in the organisation and handling of a substantial part of foreign trade. The Central Government Depot and the Government Monopolies Department not only regulate the importation of certain basic items but they also are achieving price stabilization, especially for essential commodities, as a result of their activities.

3. Afghanistan's foreign trade statistics have improved substantially during the last three years. Adequate data are now available as from 1330 (March 1951) onwards. All published data are systematically arranged in detailed tables giving values and quantities broken down according to the standard international trade classification (SITC) which assists comparison. Even data which had already been published were rearranged and reissued using the comprehensive style adopted for more recent years.

4. The problem of the multiplicity of rates applicable to various commodities and agencies which bedevilled Afghanistan's trade statistics, has been partially overcome by issuing trade data in terms of the foreign exchange earned or paid. This is being done as from 1336 (March 1957) onwards. Simultaneously, the coverage of the figures and the accuracy in handling them have been substantially increased by using modern machines for sorting and tabulating the raw data.

5. There are still, of course, some difficulties that are now being tackled. These difficulties are mainly concerned with the question of enforcing the obligation of reporting every item to customs officials regardless of whether they are exempt from customs duty or not. Secondly, there is the question of accurately assessing the value of the goods exported or imported. Furthermore the quantity units given by the various customs houses render volume comparison tedious and sometimes almost impossible. Fairly good progress is now being achieved in solving these problems. As an illustration of improvements made, attention is drawn to the export category 'unspecified' in 1335, 1336 and 1337. In 1335, these were recorded as Af 78 million. In 1336 'unspecified' commodities were valued at Af 2.7 million. In 1337 no commodities had to be listed as unspecified in the published statistics. Turning to imports, in 1335 'unspecified' amounted to Af 190.5 million and 'unspecified manufactures' to as much as Af 112. 7 million. By 1336 these amounts had become Af 6 million and Af 47 million respectively. In 1337 the amounts were less than Af 7 million and Af 24 million respectively despite the very large increase in total imports reported. As is to be expected, improvement in these matters must be slow in coming. It is earnestly hoped that the practice of using trade figures for Afghanistan derived from the data of trading partners which some agencies resorted to in the past will no longer be necessary.

II- Analytical Review

A- Expansion of Trade

6. During the last seven years for which figures are now available, Afghanistan's foreign trade has been

expanding at a substantial rate. In 1330, exports amounted to Af 731 million but by 1337 the value had risen to Af 1,723 million or more than twofold. This expansion was real and not due merely to an increase in monetary terms. It reflects a true increase in both volume and value.

7. An increase in exports has taken place regularly in every year except two. The annual rate of increase throughout the seven year period under review ranged from 10 percent in 1331 to 52 percent in 1333. The two exceptions were 1334 and 1337. The drop in the value of total exports in those two years was 6 percent in 1334 and 13 percent in 1337.

8. The decline in exports in 1334 was almost entirely due to the transit difficulties caused by Pakistan which hindered the disposal of many exportable items especially dried and fresh fruits. The fall in exports in 1337, was due to the extremely bad weather conditions which adversely affected many agricultural crops, particularly cotton and wool. Details will be given below when individual commodities are considered. It should be pointed out, however, that the fall in exports in 1337 is not as alarming as it would at first sight appear. The relative decline is somewhat exaggerated because the total value is compared with that of the year before (1336). In this year, exports were exceptionally high, having recorded a rise of 32 percent from the year before. In fact, the value of the 1337 exports was the highest ever recorded with the exception of 1336. Table (1) summarises the situation for the eight years under review. All figures are self-explanatory.

Table (1)

Expansion of Afghanistan's Exports

(In Millions of Afghanis)

Year	1330	1331	1332	1333	1334	1335	1336	1337
Value	731.4	805.7	949.9	1,439.7	1,351.6	1,499.8	1,984.5	1,722.7
Index	100.0	110.2	129.9	196.8	184.8	205.1	271.3	235.5
Annual Rate of Change	—	+ 10.2	+ 17.9	+ 51.6	— 6.1	+ 11.0	+ 32.3	— 13.2

9. The expansion in imports during the eight years under study surpassed that of exports. The value of imports during 1337 was almost four times as much as seven years earlier. Here again, the expansion was genuine and not merely a reflection of higher prices. As was the case for exports. expansion in imports occurred in every year of the period covered except in 1333 when imports dropped by less than one percent from their level a year earlier. The annual rate of expansion varied from year to year. The highest was in 1332 when it reached 43 percent and the lowest was in 1331 when it was 13 percent.

10. The rate of expansion in 1337 was one of the highest, being almost 29 percent. This high rate was probably partially derived from improvement in statistical reporting but mostly from genuine increases in imports. The greatest expansion has been in commodities needed for the vast development program embarked upon in 1335. This explains the consistent increase in the value of imports at a rate of over 20 percent annually since 1334. Table (2) highlights the position since 1330. Indices and annual rates of change have been computed to facilitate comparisons.

Table (2)

Expansion of Imports

(In Millions of Afghanis)

Year	1330	1331	1332	1333	1334	1335	1336	1337
Value	646.0	726.9	1,036.1	1,026.6	1,255.1	1,623.6	1,966.3	2,532.8
Index	100.0	112.5	160.4	158.9	194.3	251.3	304.4	392.1
Annnal Rate of Change	—	+ 12.5	+ 42.5	— 0.9	+ 22.3	+ 29.4	+ 21.1	+ 28.8

B. Balance of Trade

11. Balance of trade figures for eight years up to 1337 are given in table (3). Since 1330, there were trade surpluses in five years and trade deficits in three. Since the start of the First Five-Year Plan in 1335, two years out of three showed deficits and even in the third the surplus was the smallest during the eight-year period under review.

12. The balance of trade deficit in 1337 was exceptionally high, amounting to over Af 810 million or almost half as much as the total value of exports in that year. This was due to two factors. The first and the more important one is the substantial expansion in imports of capital goods required by the Plan. The year 1337 would seem to be the period when the implementation of the Plan gained momentum. Goods ordered in the first two years flowed in. Substantial quantities of equipment and material from abroad began to be used in actual construction. The first two years had been largely devoted to surveys and preparations. The second but subsidiary factor is that registration of imports was suddenly improved by the inclusion of large consignments previously omitted.

13. As a result of these two factors combined in 1337 the value of imports rose by 29 percent. It so happened that in the same year a substantial decline in exports amounting to 13 percent took place. In other years reviewed, whenever a trade deficit occurred exports were rising but were surpassed by the increase in imports. In 1337, however, a substantial increase in imports coincided with a decrease in exports. Table (3) gives the aggregate values of imports and exports together with the resulting trade balances. Trade balances with individual countries will be dealt with after studying the direction of trade.

Table (3)

Balance of Trade

(In Millions of Afghanis)

	1330	1331	1332	1333	1334	1335	1336	1337
Total exports	731.4 x	805.7 x	949.9	1,439.7	1,351.6	1,499.8	1,984.5 x	1,722.7
Total imports	646.0	726.9 x	1,036.1	1,026.6	1,255.1	1,623.6	1,966.3	2,532.8
Balance of Trade xx	+ 85.4	+ 78.8	— 86.2	+ 413.1	+ 96.5	— 123.8	+ 18.2	— 810.1

x Figures have been revised since the publication of the 1959 Survey.

xx + indicates a surplus and — a deficit.

C. Composition of Trade

14. Table 4 (p.198) gives the values of the main groups of commodities exported in the order of their importance in 1337. It also gives their values for the years 1330, 1335, and 1336 for comparison. The relative importance of the value of each item is shown for each of these years. Indices show changes in values with 1330 as a base.

15. Table 4 shows that a fall in the total values of exports was experienced in six out of the ten chief groups in 1337. The exceptions were dried fruits, furs, fresh fruits and medicinal herbs.

16. Relative declines occurred in export values of the following items. The relative percentage decline in 1337 from 1336 are given opposite each group below:

Commodity	1337 Rate of Decline
1. Cotton	56.8 %
2. Seeds and spices	48.3 %
3. Wool	45.3 %
4. Casings	45.0 %
5. Carpets	33.9 %
6. Skins	14.0 %

17. The decline in exports in 1337 was so sharp that in two cases the level reached in that year was actually lower than the base year (1330) seven years earlier. Seeds and spices exports were 7 percent lower in 1337 than in 1330. Similarly exports of wool in 1337 were 5.2 percent lower than in 1330.

18. Sometimes it is misleading to rely on value alone in judging the true change of trade. Fluctuations in prices are disturbing factors. Occasionally the value of a certain commodity decreases but its exported quantity may have actually increased. It is essential, therefore, to find out whether the decline in the exports in 1337 was real or was due to declines in prices. Table 5 (p.199) has been prepared to illustrate this. Changes in quantities for the same ten groups of commodities over the same period are given. To facilitate comparisons indices were also computed on the basis of 1330 figures as 100.

Table 4

Composition of Trade

Values for the Ten Chief Export Commodity Groups

(In Millions of Afghanis)

SITC Code	Exports	1330 Order	1330 Value	1330 %	1335 Order	1335 Value	1335 %	1336 Order	1336 Value	1336 %	1337 Order	1337 Value	1337 %
052	1. Dried fruits	1	198.3	27.1	2	330.9	22.1	1	531.2	26.8	1	576.2	33.5
	Index		100.0			166.9			267 9			290.7	
212	2. Furs (mainly Karakul).	2	163.5	22.4	1	396.2	26.4	2	446.2	22.5	2	471.9	27.4
	Index		100.0			242.3			272.9			288.6	
051	3. Fresh fruits	4	67.9	9.3	4	174.6	11.6	5	144.5	7.3	3	193.5	11.2
	Index		100.0			257.1			212.8			285.0	
263	4. Raw cotton	5	64.6	8.8	3	188.7	12.6	3	319.2	16.1	4	138.0	8.0
	Index		100.0			292.1			494.3			213.6	
262	5. Wool	3	124.2	17.0	5	152.0	10.1	4	215.0	10.8	5	117.5	6.8
	Index		100.0			122.4			173.1			94.6	
657	6. Carpets and rugs	7	32.6	4.5	6	50.6	3.4	6	96.0	4.8	6	63.5	3.7
	Index		100.0			155.2			294.5			194.8	
211	7. Untanned hides & skins	8	12.8	1.8	7	52.2	3.5	9	54.8	2.8	7	46.6	2.7
	Index		100.0			407.8			428.1			364.1	
541	8. Medicinal herbs		...	...		...	...	10	30.1	1.5	8	37.3	2.2
	Index								100.0			123.9	
075	9. Seeds and spices	6	39.0 x	5.3	9	37.8 x	2.5	7	70.2	3.5	9	36.3	2.1
	Index		100.0			96.9			178.0			93.1	
013	10. Casings	9	6.9	0.9	8	39.0	2.6	8	60.2	3.0	10	33.1	1.9
	Index		100.0			565.2			872.5			479.7	
	Total of above		709.8	97.0		1422.0	94.8		1967.4	99.1		1713.9	99.5
	Grand total		731.4	100.0		1499.8	100.0		1984.5	100.0		1722.7	100.0

x Sesame seeds only.

Table 5

Composition of Trade

Quantities of the Ten Chief Export Commodity Groups

SITC Code	Exports	Quantity Unit	1330	1335	1336	1337
052	1. Dried fruits	Million Kilos	27.9	20.8	27.4	32.9
	Index		100.0	74.6	98.2	117.9
212	2. Furs (mainly Karakul)	Million Skins	1.5	2.2	2.9	2.0
	Index		100.0	146.7	193.3	133.3
051	3. Fresh fruits	Million Kilos	32.3	37.6	31.5	32.4
	Index		100.0	116.4	83.8	100.3
263	4. Raw cotton	Million Kilos	2.8	10.8	17.7	7.0
	Index		100.0	385.7	632.1	250.0
262	5. Wool	Million Kilos	4.3	7.1	7.0	5.4
	Index		100.0	165.1	162.8	125.6
657	6. Carpets and rugs	Thousand Sq. Mtrs.	137.3	178.2	239.1	139.9
	Index		100.0	129.8	174.1	101.9
211	7. Untanned hides and skins	Million skins	0.7	1.9	1.4	1.3
	Index		100.0	271.4	200.0	185.8
541	8. Medicinal herbs	Million Kilos	...	...	1.2	2.1
	Index x				100.0	175.0
075	9. Seeds and spices	Million Kilos	8.4 xx	4.5 xx	12.0	6.5
	Index		100.0	53.6	142.9	77.4
013	10. Casings	Million Coils	0.7	2.2	2.2	1.5
	Index		100.0	314.3	314.3	214.3

x 1336 is 100.

xx Sesame seeds only.

19. Exports of seven out of ten commodity groups declined in terms of quantity between 1336 and 1337. The three groups that did not share in the downward movement were dried fruits, fresh fruits and medicinal herbs. It will be recalled that furs rose in value in 1337. This was apparently due to higher prices and not to increased quantities as the number exported declined substantially by about one third from 2.9 million skins in 1336 to 2.0 million in 1337. The seven items that experienced a fall in quantity terms are given below each with its rate of decrease in 1337 compared with 1336.

Commodity	Percentage Decline	Commodity	Percentage Decline
Seeds and spices	46%	Wool	23%
Carpets	45%	Untanned hides & skins	7%
Cotton	40%	Furs	3%
Casings	32%		

20. It is gratifying to note, however, that in only one group was the quantity of exports in 1337 lower than it was in 1330. This occurred in the case of seeds and spices the index for which stood at 77.4 in 1337 as compared with 100 in 1330. The quantities of exports of fresh fruits and carpets were very close to their level in the base year. Their indices in 1337 stood at 100.3 and 101.9 respectively. Exports of cotton, casings and untanned skins were much higher than in the base year as they represented 250, 214 and 186 respectively in 1337 as compared with 100 in 1330.

21. The value of each export commodity to the Afghan economy is not reflected adequately by the amount of afghanis obtained. The afghani figures do not reflect true values owing to the fact that the rates of converting foreign exchange proceeds into afghanis depend on the type of commodity exported and the market to which it is sent. Thus it is necessary to consider the actual foreign exchange obtained from each commodity or groups of commodities before conversion. It is for this purpose that table 6 (p. 201) has been prepared.

22. The foreign exchange earnings are given for ten main export commodities in thousands of the five leading currencies: Indian rupees, Pakistani rupees, U. S. dollars, pounds sterling and Deutsche marks. The two years for which such figures are available are 1336 and 1337. It should be clearly understood that for bilateral dealings the currencies used are U.S. dollars and pounds sterling for accounting purposes only. Such currencies are chiefly earned under bilateral agreements with the USSR and Czechoslovakia for wool and cotton in particular.

23. It can be seen from table 6 that the type of foreign exchange earnings from each group exported is more or less the same in the two years given. Dried fruits are primarily earners of Indian rupees with some dollars and Pakistani rupees. Most of these dollars from dried fruits are earned from the USSR. Fresh fruits are mainly earners of Indian and Pakistani rupees. Furs are earners of convertible dollars and pounds sterling. Cotton and wool earn more bilateral dollars than any other currency. Carpets and rugs are by far the leading earners of Deutsche marks. Casings are earners mainly of US dollars and Deutsche marks. Medicinal herbs and seeds and spices are earners of rupees. More detailed figures are given in Foreign Trade Statistics for 1336 and 1337 for each commodity and for each country not only for exports but for imports also.

24. Table 7 (p. 202) reveals that in 1337 imports of cloth cost Afghanistan over Af 841 million representing approximately one third of the total import bill. Imports of road motor vehicles, sugar, wheat, petroleum products, tea and machinery cost the country over Af 100 million each. The exact cost and the relative importance of each item to the total are given in the last column for each year. Figures for imports of machinery, yarn, clothing and footwear prior to 1335 are not comparable with later figures, as the earlier classification was less detailed. Thus the base of the indices for these five items was taken as 1336 instead of 1330.

25. The item showing the highest relative expansion in 1337 as compared with 1330 (after sugar) is road motor vehicles. The value of these imports in 1337 was over eleven times its level in 1330. This is a clear reflection of the well-known improvement in road conditions and expansion in economic activities generally. The observed expansion in imports of sugar is most likely due to the unusually low figure quoted for 1330. The quantities imported, as will be shown below, did not exhibit the magnitude of change indicated by the value figures. Petroleum products were valued in 1337 at about four times the level of 1330. They have represented more than 6 per cent of the total value of imports every year except in 1335. This drop to 3.6 per cent was probably due to the transit difficulties with Pakistan. Among the last five items given in the table, the imports of mining, construction and industrial machinery warrant special mention. In one year (1337), the value increased by over four and a half times their level in 1336. Instead of representing one per cent of the total import bill in 1336 this represented 4 percent in 1337. Their total value increased from Af 21.8 million to Af 101.3 million between those two years. The improvement in the comprehensiveness of import statistics is very likely to be responsible for part of this increase but the acceleration in the development program is assuredly the cause of the larger part.

Table 6

Foreign Exchange Earnings From Exports

In Thousands of the Five Main Currencies

1336 & 1337

Order	SITC Code	Commodity	Indian Rupees 1336	Indian Rupees 1337	Pakistani Rupees 1336	Pakistani Rupees 1337	U.S. Dollars 1336	U.S. Dollars 1337	Pound Sterling 1336	Pound Sterling 1337	Deutsche Marks 1336	Deutsche Marks 1337
1	052	Dried fruits	40,110	38,537	5,409	7,792	1,775	2,787	16	40	—	—
2	212	Furs (mainly Karakul)	755	979	3	—	4,234	4,891	1,269	1,106	52	824
3	051	Fresh fruits	9,719	15,443	5,463	5,158	460	—	—	—	—	—
4	263	Raw cotton	9	—	225	46	4,818	2,490	—	55	—	153
5	262	Wool	112	—	—	—	3,724	1,984	52	51	—	49
6	657	Carpets & rugs	40	—	3	43	310	554	299	168	3,231	399
7	211	Untanned hides & skins	1,329	2,041	657	—	603	449	32	—	5	83
8	541	Medicinal herbs	3,193	3,041	255	527	24	83	—	—	—	—
9	075	Seeds and spices	1,178	1,875	989	361	361	230	114	—	—	—
10	013	Casings	—	—	4	34	910	610	—	—	264	66
		Total of above	56,445	61,916	13,008	13,951	17,219	14,068	1,782	1,420	3,552	1,574
		Total of all commodities	56,915	61,992	13,176	14,367	17,259	14,178	1,784	1,440	3,557	1,609

Table 7

Composition of Trade

Values of Main Imports in Millions of Afghanis

1337 Order	SITC Code	Commodity	1330 Order	1330 Value	1330 %	1335 Order	1335 Value	1335 %	1336 Order	1336 Value	1336 %	1337 Order	1337 Value	1337 %
1	652 x & 653	Cloth	1	300.1	46.5	1	680.0	41.9	1	813.6	41.4	1	841.4	33.2
		xx Index		100.0			226.6			271.1			280.4	
2	732	Road motor vehicles	4	21.0	3.3	4	80.5	5.0	3	153.0	7.8	2	236.7	9.4
		Index		100.0			383.3			728.6			1127.1	
3	061	Sugar	5	11.0	1.7	2	168.4	10.4	2	166.6	8.5	3	168.7	6.7
		Index		100.0			1530.9			1514.5			1533.6	
4	041	Wheat		...	...		...	...		...	...	4	158.9	6.3
5	313	Petroleum products	3	39.8	6.2	5	58.2	3.6	4	139.5	7.1	5	155.0	6.1
		Index		100.0			146.2			350.5			389.4	
6	074	Tea	2	52.5	8.1	3	135.3	8.3	5	114.4	5.8	6	139.6	5.5
		Index		100.0			257.7			217.9			265.9	
7	716	Machinery (mining, construction, industrial)		...	...		...	...		21.8	1.1	7	101.3	4.0
		Index								100.0			464.7	
8	629	Rubber manufactures mainly tyres & tubes.		...	...		...	...	7	54.1	2.8	8	87.2	3.4
		Index								100.0			161.2	
9	651	Yarn and thread		...	...		...	...	9	46.1	2.3	9	63.6	2.5
		Index								100.0			138.0	
10	841	Clothing		...	...		...	...	8	53.9	2.7	10	56.9	2.3
		Index								100.0			105.6	
11	851	Footwear		...	...		...	...	6	55.4	2.8	11	56.3	2.2
		Index								100.0			101.6	
		Total of items given		424.4	65.7		1122.4	69.1		1618.4	82.3		2065.6	81.6
		Total imports		646.0	100.0		1623.6	100.0		1966.3	100.0		2532.8	100.0

x : 652 and 653 cannot be given separately because of incorrect coding.

xx : Base of indices before item 7 is 1330. For items 7 - 11 base is 1336.

26. Studying the fluctuations of quantities is usually much more significant than studying values. Changes in prices, especially if the period covered is long, can often lead to erroneous conclusions. For this reason the composition of imports in quantity terms is presented in Table 8 which gives quantities imported for the same commodities or groups of commodities shown in the value table and for the same period. Indices were computed to facilitate comparisons. The difficulty of using various units in reporting the volume of imports has been partially overcome by comparing the important units reported and by ignoring incongruous small amounts. Fortunately this problem was encountered only in five of the relatively less important items included.

27. Cloth imports in 1337 amounted to 9 million kilos as compared with 8 million kilos in 1336 (an increase of 17 percent in one year). The quantity imported in 1337 was over one and three quarters as much as that imported in 1330. This was the smallest rate of increase during this period among the items included in the table with the exception of tea. The relative increase in imports of motor vehicles was, of course, much greater since there was no local production to partially meet the expanding local demand as was the case in cloth. The number of vehicles imported in 1337 amounted to 4,394 as compared with 1,046 in 1336 increasing them to fourfold in one year. In 1330 the number imported was only 532, thus in 1337 the number was over 8 times that of seven years earlier. It should be noted, however, that more than half the vehicles imported in 1337 were motor cycles. In 1336 this proportion was much smaller. Other interesting comparisons may be made from table 8.

D- Direction of Trade

28. The seven chief markets for Afghan exports in order of their relative importance in 1337 were India, USA, USSR, UK, Pakistan, Germany and Czechoslovakia. Their total offtake of Afghan products in that year amounted to Af 1,681 million or 98 percent of total exports. Of these seven leading markets, India, USA, USSR, and UK were of particular importance since each of them purchased over Af 200 million worth of goods. India has been and remains by far the leading market purchasing over 35 percent of the total in 1337.

29. The value of trade with the seven main outlets for Afghan exports has been given in Table 9 (p.205) in the order of their importance in 1337. The percentages given show the proportions of the total value of Afghan exports purchased by each country. Indices show trade development over the period 1330 to 1337.

30. Table 9 emphasises the steadiness in the geographical pattern of Afghanistan's foreign trade. The same countries have been the leading partners for at least seven years. India has been occupying first place throughout the whole period. The USSR and the USA have been exchanging second and third places. The sharp decline in exports of cotton and wool in 1337, noted above, has contributed to the decline in the purchases of the USSR in 1337. Without any exception, the offtake of each country had been steadily increasing prior to 1337. The relative decline in the purchases of Pakistan since 1330 is, however, notable, with offtake almost standing still between 1330 and 1337. Thus its relative share dropped from 13 percent to 6 percent of total exports between 1330 and 1337.

31. A gratifying recent development in the Afghan export picture which is not reflected in Table 9, is the gradual diversification of trade to new markets which has taken place since 1335. Among the markets opening up, Switzerland, Lebanon, Austria, the Netherlands, Singapore, Poland and Japan now purchase increasing quantities of Afghan products. They were not included in the table as none purchased over Af 12 million worth of goods. See "Foreign Trade Statistics" for details.

32. It is of importance not only to know the leading markets of Afghan products but also to ascertain what they purchase. It is for this purpose that Table 10 (p.206) has been prepared. The table gives the seven leading trading partners and the most important commodities each partner buys. The total value of each commodity purchased is given for each of the four years selected for this study. The columns showing percentages need some care in interpretation. Percentages show the relative importance of each commodity compared with the total purchases of each country. Sufficient items were selected to account for at least eighty percent of the total purchases of each country in 1337. If the purchases of a country are concentrated, two or three items normally suffice, otherwise a longer list had to be given.

33. Table 10 highlights the fact that there is specialisation among Afghanistan's leading trading partners. In 1337, for instance, 61 percent of India's purchases were dried fruits. In the same year, more than three quarters (76%) of purchases by the USA were furs. Apparently the UK's trade is even more concentrated. The table reveals that over 83 percent of its offtake was in furs. In the same year, Pakistan bought dried fruits amounting to 54 percent of its total purchases and fresh fruits representing almost 37 percent. In other words, all Pakistan's other purchases amounted to less than 10 per cent in that year. Trade with Germany is apparently not so concentrated. The three main items bought were: carpets representing 42 percent, casings (20%) and cotton (18%) leaving 20 percent for all other items purchased. Trade with Czechoslovakia is fairly specialised. In the same year cotton accounted for 58% and seeds and spices

Table 8

Composition of Trade Giving Imports by Main Quantity Units

1337 Order	SITC Code	Commodity	Unit		1330	1335	1336	1337
1	652 & 653	Cloth	Million	Kilos	5.1	12.5	7.7	9.0
				Index	100.0	245.1	151.0	176.4
2	732	Motor vehicles	Number		532	832	1,046	4,394
				Index	100.0	156.4	196.6	825.9
3	061	Sugar	Million	Kilos	4.9	19.9	37.4	29.4
				Index	100.0	406.1	763.3	600.0
4	041	Wheat	Million	Kilos	. . .	. . .	. . .	40.0
5	313	Petroleum Products	Million	Kilos	—	5.2	5.8	52.2
				Index		100.0	111.5	1,003.8
			Million	Gallons	4.1	4.0	32.9	4.4
				Index	100.0	97.6	802.4	107.3
6	074	Tea	Million	Kilos	2.4	3.7	2.5	3.9
				Index	100.0	154.2	104.2	162.5
7	716	Machinery	Million	Kilos	. . .	. . .	0.2	0.1
				Index			100.0	50.0
			Number	(000's)	. . .	. . .	6	73
				Index			100.0	1,216.6
8	629	Rubber manufactures (Mainly tyres and tubes)	Million	Kilos	. . .	. . .	0.5	0.1
				Index			100.0	20.0
			Number	(000's)	. . .	. . .	49	289
				Index			100.0	589.8
9	651	Yarn and thread	Million	Kilos	. . .	. . .	0.8	1.2
				Index			100.0	150.0
10	841	Clothing	Million	Kilos	. . .	. . .	1.1	1.2
				Index			100.0	109.1
			Number	(000's)	. . .	. . .	16	250
				Index			100.0	1,562.5
11	851	Footwear	Millon	Kilos	. . .	. . .	0.4	0.2
				Index			100.0	50.0
			Pairs	(000's)	. . .	. . .	81	853
				Index	. . .	. . .	100.0	1,053.1

Table 9

Direction of Trade

Value of All Exports to the Seven Leading Markets for Afghan Products

1330 - 1337 (1952 - 1959)

(In Millions of Afghanis)

Country (Order in 1337)		1330 Order	1330 Value	1330 %	1335 Order	1335 Value	1335 %	1336 Order	1336 Value	1336 %	1337 Order	1337 Value	1337 %
1 India		1	215.1	29.4	1	442.9	29.5	1	580.3	29.2	1	614.6	35.7
	Index		100.0			205.9			269.8			285.7	
2 U. S. A.		2	194.1	26.5	3	318.8	21.3	3	336.1	16.9	2	367.5	21.3
	Index		100.0			164.2			173.2			189.3	
3 U. S. S. R.		3	134.0	18.3	2	414.3	27.6	2	455.8	23.0	3	294.5	17.1
	Index		100.0			309.2			340.1			219.8	
4 U. K.		5	59.3	8.1	4	131.8	8.8	4	254.8	12.8	4	202.0	11.7
	Index		100.0			222.3			429.7			340.6	
5 Pakistan		4	95.3	13.0	5	74.5	5.0	7	96.5	4.9	5	100.9	5.9
	Index		100.0			78.2			101.3			105.9	
6 Germany		6	21.9	3.0	6	49.0	3.3	5	117.7	5.9	6	90.1	5.2
	Index		100.0			223.7			537.4			411.4	
7 Czechoslovakia		—	—	—	7	27.0	1.8	6	111.9	5.6	7	11.8	0.7
	Index		—			100.0			414.4			43.7	
Total of above 7			719.7	98.4		1,458.3	97.2		1,953.1	98.4		1,681.4	97.6
	Index		100.0			202.6			271.4			233.6	
Grand total of all exports			731.4	100.0		1,499.8	100.0		1,984.5	100.0		1,722.7	100.0

Table 10

Direction of Trade

Values of Main Exports to the Seven Leadirg Markets

(In Millions of Afghanis)

Country	SITC Code	Commodity	1330 Value	1330 %	1335 Value	1335 %	1336 Value	1336 %	1337 Value	1337 %
1. India	052	1. Dried fruits	167.3	77.8	217.1	47.6	401.9	69.3	375.7	61.1
	051	2. Fresh fruits	12.7	5.9	141.1	31.9	106.9	18.4	156.6	25.5
	541	3. Medicinal herbs	. . .	. . .	. . .	. . .	28.1	4.8	29.4	4.8
	211	4. Untanned skins & hides	5.2	2.4	17.3	3.9	13.0	2.2	20.8	3.4
	075	5. Seeds & spices	0.1 x	—	. . .	. . .	13.0	2.2	18.8	3.1
2. U.S.A.	212	1. Furs	124.1	63.9	282.0	88.5	212.0	63.1	278.9	75.9
	262	2. Wool	56.6	29.2	28.2	8.8	97.9	29.1	56.7	15.4
	052	3. Dried fruits	0.7	0.4	4.3	1.3	6.5	1.9	29.1	7.9
3. U.S.S.R.	263	1. Cotton	11.3	8.4	155.4	37.5	234.2	51.4	110.6	40.6
	052	2 Dried fruits	17.0	12.7	67.6	16.3	75.5	16.6	·99.3	33.7
	262	3. Wool	64.3	48.0	114.0	27.5	101.1	22.2	46.9	15.9
	211	4. Untanned skins & hides	3.1	2.3	22.1	5.3	18.6	4.1	22.1	7.5
4. U. K.	212	1. Furs	37.4	63.1	97.7	74.1	209.7	82.3	168.3	83.3
	657	2. Carpets & rugs	7.4	12.5	32.3	24.5	36.4	14.3	18.4	9.1
5. Pakistan	052	1. Dried fruits	13.3	14.0	31.3	42.0	36.9	38.2	54.4	53.9
	051	2. Fresh fruits	55.2	57.9	33.5	45.0	37.4	38.8	36.8	36.5
6. Germany	657	1. Carpets & rugs	—	—	16.1	32.9	55.5	47.2	37.9	42.1
	013	2. Casings	0.2	0.9	27.5	56.1	39.0	33.1	17.7	19.6
	263	3. Cotton	21.7	99.1	—	—	6.9	5.9	16.4	18.2
7. Czechoslovakia										
	075	1. Seeds & spices	—	—	. . .	. . .	33.8	30.2	2.5	21.2
	263	2. Cotton	—	—	11.8	53.6	70.0	62.6	6.8	57.6

x Sesame seeds only.

for 21 percent. All other items purchased accounted for 21 percent. The concentration would have been higher if exports of cotton in 1337 did not fall so drastically. In 1336, cotton alone accounted for 63 percent of Czechoslovakian purchases. Table 10 (p. 206) gives interesting data for comparisons with years prior to 1337.

34. An equally interesting aspect of analysis is to focus attention on the main exportable commodities rather than on the countries to which they are sold. It is of vital importance for general trade policy to examine the distribution of and the changes that take place in the markets of specific important commodities or groups of commdoities. This is the purpose for which Table 11 has been prepared. The same ten export groups were studied to ascertain where they went in the period of this analysis. The rule adopted in preparing the table is to give enough countries of sale to account for at least eighty percent of the total value exported. Percentages are given to facilitate the analysis. However, these percentages should be carefully interpreted. Each percentage indicates how much of the total value of a given commodity was sold to the country shown.

35. Table 11 (p. 208) shows where 97 percent of dried fruits were sold in 1337. This amount was sold to four major markets but India and the USSR took the lion's share. India bought 65 percent and the USSR 17 percent of the total. It is interesting to observe that the proportion of dried fruits sold to India has been generally decreasing since 1330 whereas the proportion sold to the USSR has been generally increasing. In 1330 India received 84 per cent of all Afghan dried fruits whereas the USSR received only about 9 percent.

36. Almost 95 percent of all furs (mainly karakul) went to either the USA or the UK in 1337. These two customers have been almost the only outlet for this valuable commodity throughout the period covered. There has, however, been a tendenc for the proportionate offtake of the USA to drop a little and that of the UK to gain a little. In 1330 the USA purchased 76 percent of the total whereas the UK received only 23 percent. In 1336 their shares in the total value of furs sold were almost equal, standing at about 47 percent each.

37. Fresh fruits have been sold almost exclusively to India and Pakistan. The outstanding feature of fresh fruits trade brought out by the present analysis is the complete reversal in the relative importance of these two markets. In 1337, India bought 81 percent and Pakistan 19 percent. Seven years earlier (1330) the exact opposite was the case; India bought only 19 percent whereas Pakistan bought 81 percent of the total.

38. Enough has been said to demonstrate the value of Table 10. It furnishes adequate information for analysing recent developments in marketing of other leading exports,

39. The four leading suppliers of Afghan imports in 1337 were the USSR, Japan, the USA and India. These countries furnished goods valued at Af 685, Af 493, Af 477 and Af 313 million respectively. The seven most important suppliers are given in the order of their importance in 1337 in Table 12 for the years under review. Percentages and indices highlighting relative importance and rates of development over the period covered have been computed and added to facilitate the analysis.

40. Table 12 (p. 209) reveals that in 1337 Afghanistan obtained over one quarter (27%) of its total imports from the USSR. The proportion was higher in both 1336 and 1335 when 31% and 37% respectively were obtained from the same country. However, the rate of expansion in the absolute value of goods imported from this source is outstanding. The 1337 imports from the USSR were almost seven times as much as they were seven years earlier. During the three years 1335 through 1337 the USSR occupied first place among Afghanistan's suppliers. In 1330 it stood third.

41. Japan was the source of almost one fifth of total imports in 1337 and thus occupied second place for the first time. The striking feature of trading with Japan is the large and steady expansion that occurred during the period under review. The value of imports from Japan in 1337 was almost eight and a half times as much as it was seven years earlier. This was the highest rate of increase with any country, except for Germany, over the same period. As a result of this substantial expansion of trade, Japan improved its position gradually from fourth place amongst Afghanistan's suppliers in 1330 and 1335 to third in 1336 and to second in 1337.

42. The USA and India were the third and fourth most important suppliers in 1337. However, the USA has been increasing its share over the period reviewed while that of India has declined relatively. India provided Afghanistan with almost 40 percent of its requirements in 1330 and occupied first place. In 1337 it occupied fourth place and provided only 13 per cent of total imports. This is no doubt partially due to the improvement in naming the correct country of origin in customs reporting.

43. Among the other notable features brought out by Table 12 is the striking increase in imports from Germany and the equally striking decline in imports from Pakistan. The total value of imports from Germany was about Af 11 million in 1330 but by 1337 this amount had risen to Af 108 million or approximately tenfold in seven years. This is a reflection of the remarkable improvement in the German economy during this period. Afghanistan is passing through a stage of economic development that ren-

Table 11

Ten Chief Export Groups by Country of Sale

(In Millions of Afghanis)

SITC Code	Commodity	Country of Sale	1330 Value	1330 %	1335 Value	1335 %	1336 Value	1336 %	1337 Value	1337 %
052	Dried fruits	India	167.3	84.4	217.1	65.6	401.9	75.7	375.7	65.2
		U S.S.R.	17.0	8.6	67.6	20.4	75.5	14.2	99.3	17.2
		Pakistan	13.3	6.7	31.3	9.5	36.9	6.9	54.4	9.4
		U.S.A.	0.7	0.4	4.3	1.3	6.5	1.2	29.1	5.1
212	Furs	U.S.A.	124.1	75.9	282.0	71.2	211.9	47.5	278.9	59.1
		U.K.	37.4	22.9	97.7	24.6	209.7	46.9	168.3	35.7
051	Fresh fruits	India	12.7	18.7	141.1	80.8	106.9	74.0	156.6	80.9
		Pakistan	55.2	81.3	33.5	19.2	37.4	25.9	36.8	19.0
263	Raw cotton	U.S.S.R.	11.3	17.5	155.4	82.4	234.2	73.4	110.6	80.1
		Czechoslovakia	—	—	11.8	6.3	70.0	21.9	6.8	4.9
262	Wool	U S.A.	56.6	45.6	28.2	18.6	97.9	45.5	56.7	48.3
		U.S.S.R.	64.3	51.8	114.0	75.0	101.1	47.0	46.9	39.9
657	Carpets and rugs	Germany	—	—	16.1	31.8	55.5	57.8	37.9	59.7
		U.K.	7.4	22.7	32.3	63.8	36.4	37.9	18.4	29.0
211	Hides and skins	U.S.S.R.	3.1	24.1	22.1	42.3	18.6	33.9	22.1	47.4
		India	5.2	40.6	17.3	33.1	13.2	23.7	20.8	44.6
541	Medicinal herbs	India	. . .		. . .		28.1	93.4	29.4	78.8
		Switzerland	. . .		. . .		—	—	3.6	9.7
		Pakistan	. . .		. . .		1.3	4.3	3.3	8.8
075	Seeds and spices	India	0.1 x	0.3	—	—	13.0	18.5	18.8	51.8
		U.S.S.R.	38.1 x	97.7	37.7 x	99.7	16.6	23.6	12.2	33.6
013	Casings	Germany	0.2	2.9	27.5	70.5	39.0	64.8	17.7	53.5
		Switzerland	0.1	1.5	0.8	2.1	0.3	0.5	7.0	21.1
		Netherlands	0.1	1.5	3.9	10.0	8.3	13.8	4.1	12.4
		U.S.A.	0.9	13.0	3.9	10.0	10.5	17.4	2.4	7.3

x Sesame seeds only.

Table 12

Direction of Trade

Value of Imports from Leading Suppliers

(In Million of Afghanis)

Country		1330 Order	1330 Value	1330 %	1335 Order	1335 Value	1335 %	1336 Order	1336 Value	1336 %	1337 Order	1337 Value	1337 %
1. U.S.S.R.		3	100.1	15.5	1	592.5	36.5	1	606.7	30.9	1	685.4	27.1
	Index		100.0			591.9			606.1			684.7	
2. Japan		4	58.7	9.1	4	100.8	6.2	3	353.8	18.0	2	493 2	19.5
	Index		100.0			171.7			602.7			840.2	
3. U.S.A.		5	57.5	8.9	5	55.4	3.4	5	151.0	7.7	3	477.0	18.8
	Index		100.0			96.3			262.6			829.6	
4. India		1	256.0	39.6	2	513.2	31.6	4	214.9	10.9	4	313.0	12.4
	Index		100.0			200.5			83.9			122.3	
5. Pakistan		2	104.8	16.2	3	232.7	14.3	2	406.2	20.7	5	208.8	8.2
	Index		100.0			222.0			387.6			199 2	
6. Germany		7	10.9	1.7	6	52.8	3.3	6	69.3	3.5	6	107.5	4.2
	Index		100.0			484.4			635.8			986.2	
7. U. K.		6	30.6	4.7	7	25.5	1.6	7	53.0	2.7	7	72.8	2.9
	Index		100.0			83.3			173.2			237 9	
Total of above 7			618.6	95.8		1,572.9	96.9		1,854.9	94.3		2.357.7	93.1
	Index		100.0			254.3			299.9			381.1	
Grand total of all imports			645.0	100.0		1,623.6	100.0		1,966.3	100.0		2,532.8	100.0
	Index		100.0			251.3			304.4			392.1	

Table 13

Direction of Trade

Main Imports from the Leading Suppliers

(In Millions of Afghanis)

Country	SITC Code		Commodity	1330 Value	1330 %	1335 Value	1335 %	1336 Value	1336 %	1337 Value	1337 %
1.U.S.S.R.	652 & 3	1	Cloth	52.5	52.4	210.1	35.5	210.9	34.8	206.7	30.2
	061	2	Sugar	10.2	10.2	168.4	28.4	166.3	27.4	167.1	24.4
	313	3	Petroleum products	18.4	18.4	38.4	6.5	64.1	10.6	113.6	16 6
	716	4	Machinery	. . .		. . .		1.4	0.2	62.6	9.1
	851	5	Footwear	. . .		. . .		22.7	3.7	31.9	4.7
	681	6	Iron & steel	1.6	1.6	14.0	2.4	20 3	3.3	18.3	2.7
	074	7	Tea	—		10.2	1.7	31.0	5.1	16.9	2.5
	732	8	Road motor vehicles	0.2	0.2	48.0	8.1	35.0	5.8	15.9	2.3
2. Japan	652 & 3	1	Cloth	41.9	71.4	60.0	59 5	288 2	81 5	392 3	79 5
	666	2	Chinaware	4.9 x	8.3	7.3 x	7.2	9.8	2.8	21.4	4.3
	629	3	Rubber manufactures	. . .		. . .		7.8	2.2	21.2	4.3
	841	4	Clothing	. . .		. . .		8.0	2 3	12.2	2.5
	651	5	Yarn & thread	. . .		. . .		0.8	0.2	11.6	2.4
3. U.S.A.	732	1	Road motor vehicles	20.8	36.2	32.0	57.8	68.7	45.5	182.1	38.2
	041	2	Wheat	—		—		—		158.9	33.3
	629	3	Rubber manufactures	. . .		. . .		27.2	18.0	42.5	8.9
	841	4	Clothing	. . .		. . .		22.3	14.8	25.3	5.3
	716	5	Machinery	. . .		. . .		0.1	0.1	23.5	4.9
	713	6	Tractors	. . .		. . .		. . .		16.1	3.4
4. India	652 & 3	1	Cloth	191.6	74.8	360.1	70.2	128.7	59.9	175.2	56.0
	074	2	Tea	28.0	10.9	61.4	12.0	29.8	13.9	69.0	22.0
	075	3	Spices	1.4	0.5	6.2	1.2	3.1	1.4	13.9	4.4
	551	4	Haberdhashery etc.	. . .		. . .		0.6	0.3	7.1	2.3
	651	5	Yarn	. . .		. . .		9.9	4.6	7.0	2.2

x With glassware.

ders the characteristic German products eminently suitable.

44. In 1337 imports from Pakistan represented only 8 percent of total imports as compared with 16 percent in 1330. Thus the position of this country among the suppliers slipped from second in 1330 to fifth in 1337. The perennial transit difficulties with Pakistan and the substitution of mainly Russian, Japanese or German products for some Pakistani goods are the main reasons for this decline. Improvement of statistical reporting may also be partially responsible for this phenomenon. Many items used to be, and to a degree still are, erroneously attributed to Pakistan because the goods in question only pass through that country on their way to Afghanistan.

45. Table 13 (p. 210)has been prepared to study the components of imports from the four main suppliers and to trace their development over the period reviewed. The largest components of Afghan imports in 1337 from the USSR were cloth, sugar, petroleum products and machinery in that order of importance. Their value ranged from Af 207 million to Af 63 million representing a percentage of the total value of imports ranging from 30 to 9 percent as shown in the table. There was no notable change in the imports of either cloth or sugar from the USSR over the three years 1335 through 1337. However, the value of petroleum products shot up from Af 38 million in 1335 to Af 114 million in 1337, reflecting the substantial progress achieved in Afghan transport facilities and probably a substitution for some products that used to be imported through Pakistan.

46. Cloth imports from Japan represented about 80 percent of all imports from that country in 1337. Although the proportion of that item to the total did not vary much over the period studied yet the value rose sharply from Af 42 million in 1330 to Af 392 million in 1337. Among the other important items received from Japan are rubber manufactures (mostly tyres and tubes), clothing, yarn and thread. Imports of chinaware fell proportionately from 8% of the value of imports in 1330 to 4% in 1337. This was probably due to the start of a local chinaware industry and particularly in view of the heavy freight charges incurred by this type of commodity.

47. Road motor vehicles and wheat constituted by far the most important imports from the USA in 1337. In that year road motor vehicles represented 38 percent of the total value of imports from that country and 36 percent in 1330. However, the value of this item in 1337 was about nine times that of 1330. This expansion is no doubt partially due to the inclusion of large amounts of imports by ICA in 1337, which were previously not reported. All other items accounted for less than a quarter of total imports from the USA.

48. Cloth was the chief import item from India in 1337. Both its absolute and relative value, however, fell from their level in 1330 when its total value was Af 192 million (75%) dropping to Af 175 million (56%) in 1337. The second most important item from India is tea. This commodity almost tripled in total value and doubled in relative importance between the two dates studied. Tea imports cost Af 28 million in 1330 but rose to Af 69 million in 1337. It represented 11% of total imports from India in 1330. Seven years later it represented 22 percent. The rising consumption of tea, as a result of higher living standards, is the main cause for this increase. Probaly there has also been some substitution of Indian tea for Pakistani tea during the same period.

49. Table 14 (p. 212) furnishes a study of the seven most valuable import items. It gives the main sources of each item, the cost of each item from each source and the relative percentage importance to the total value of each item.

50. In 1337, cloth was imported mainly from three countries. Fortyseven percent of the total value was from Japan, almost one quarter of the total from USSR and about 21 percent from India. Relatively minor amounts were received from Pakistan, UK, Czechoslovakia and many other countries. Imports of cloth from Japan expanded remarkably between 1330 and 1337. The value increased from Af 42 million (representing 14% of total cloth imports) to Af 392 million (47%) between those two years respectively. Imports of cloth from India actually declined in both absolute and relative terms during the same period.

51. The leading suppliers of road motor vehicles in 1337 were the USA, Czechoslovakia and the USSR. Although there was a large increase in the recording of vehicles arriving from the USA in 1337 (Af 182 million as compared with Af 21 million in 1330) the relative share of the USA in imports of this item declined (99 percent as compared with 77 percent). The increase in the value of these imports from the USA apparently fell short of the overall increase in the value of vehicles imported from all sources. The gap was filled mainly by Czechoslovakia and the USSR as can be seen from the table.

52. Further significant studies for the whole period can be made from the figures in Table 14 for sugar, petroleum products and tea. In the case of mining, construction and industrial machinery and rubber manufactures separate data became available under the new classifications adopted from 1336. Very striking increases took place in these two items between 1336 and 1337.

53. Table 15 (p.214) shows Afghanistan's regional balance of trade. It gives the value of imports from and exports to eight leading trading partners for the period 1335 through 1337 as well as for 1330. Afghanistan's trading was so concentrated during this period that the countries men-

Table 14

Main Import Groups by Country of Purchase x

(In Millions of Afghanis)

SITC Code	Commodity		Country	1330 Value	1330 %	1335 Value	1335 %	1336 Value	1336 %	1337 Value	1337 %
652 & 653	Cloth	1	Japan	41.9	14.0	60.0	8.8	288.2	35 4	392.3	46.6
		2	U.S.S.R.	52.5	17.5	210.1	30.9	210.9	25.9	206.7	24.6
		3	India	191.6	63.9	360.1	53.0	128.7	15.8	175.2	20.8
		4	Pakistan	1.3	0.4	26.4	3.9	147.4	18.1	29.9	3.6
		5	U.K.	3.1	1.0	3.9	0.6	7.8	1.0	11.3	1.3
		6	Czechoslovakia	—		—		1.9	0.2	5.8	0.7
732	Motor vehicles	1	U.S.A.	20.8	99 1	32.0	39.8	68.7	44.9	182.1	76.9
		2	Czechoslovakia	—		0.1	0.1	2.3	1 5	30 5	12.9
		3	U.S.S.R.	0.2	1.0	48.0	59.6	35.0	22.9	15.9	6.7
		4	India	—		0.2	0.2	4.3	2 8	3.8	1.6
		5	Pakistan	—		0.2	0.2	35.8	23.4	1.5	0.6
061	Sugar	1	U.S.S.R.	10.2	92.7	168.4	100.0	166.3	99.8	167.1	99.1
313	Petroleum products	1	U.S.S.R.	18.4	46.2	28.4	48.8	64.1	46.0	113.6	73.3
		2	Pakistan	12.3	30.9	28.8	49.5	66.7	47.8	35.8	23.1
		3	Bahrein	—		—		2.4	1.7	3.5	2.3
		4	U.S.A.	--		—		4.3	3.1	0.6	0.4
074	Tea	1	India	28.0	53.3	61.4	45.4	29.8	26.1	69.0	49.4
		2	Pakistan	13.8	26.3	51.7	38.2	35.5	31.0	35.6	25.5
		3	U S.S R.	—		10.2	7.5	31.0	27.1	16.9	12.1
		4	China	—		1.9	1.4	7.5	6.6	15.0	10.7
		5	Japan	10.7	20.3	10.2	7.5	9.4	8.2	2.9	2.1
716	Machinery (mining, construction and industrial)	1	U.S.S.R.	...		...		1.4	6.4	62.6	61.8
		2	U.S.A.	...		...		0.1	0.5	23.5	23.2
		3	Germany	...		...		3.9	17.9	4.8	4.7
		4	Japan	...		...		9.5	43.6	4.6	4.5
		5	Czechoslovakia	...		...		3.2	14.7	1.5	1.5
629	Rubber manufactures	1	U.S.A.	...		...		27.2	50.3	42.5	48.7
		2	Japan	...		...		7.8	14.4	21.2	24.3
		3	Pakistan	...		...		2.4	4.4	4.7	5.4
		4	India	...		...		4.1	7.6	4.2	4.8
		5	U.K.	...		...		7.7	14.2	3.5	4.0

x Wheat is omitted.

tioned, with one exception: Japan, constituted the eight leading partners both for imports and exports in 1337. The order of importance for each country in the export-import trade of 1337 is given in the table.

54. In 1337 there was a trade surplus with only two countries: India and UK. There has been a trade surplus with UK throughout the whole period but its magnitude fluctuated from Af 29 miilion in 1330 to over Af 200 million in 1336. The surpluses with India occurred only in 1336 and 1337 when they stood at Af 365 million and Af 302 million respectively which are the highest surpluses recorded with any one conntry over the whole period. Deficits were incurred with India in 1335 and 1330.

55. Throughout the period covered increasingly large deficits have been incurred with Japan, ranging from Af 58 million in 1330 to Af 493 millon in 1337. The second largest deficit incurred in 1337 was with the USSR amounting to Af 391 million. During the period 1335 to 1337 there were annual deficits, but in 1330 there was a small surplus.

III- Summary and Recommendations

56. The analysis above has shown that the value of Afghanistan's exports more than doubled between the years 1330 and 1337. However, the increase in the value of imports surpassed that of exports. Thus large trade deficits occurred especially since the beginning of the First Five-Year Plan. The deficit in 1337 amounted to over Af 800 million.

57. The value of six out of the ten main export groups declined in 1337, and the quantities of five declined. The chief earners of convertible foreign exchange in 1337 were furs, carpets and casings. Dollars and pounds sterling received from cotton and wool were largely inconvertible. The higher standards of living attained in recent years have necessarily required increased imports of consumer goods, but by far the greater proportion of the large increase in imports is attributable to the requirements of the Five-Year Plan.

58. India is by far the leading market for Afghan products followed by the USA and the USSR. A welcome new development is the increasing diversification of exports to many new countries. The USSR continued to be the chief supplier with Japan occupying second place in 1337 for the first time. India dropped from first in 1330 to fourth in 1337. In 1336 Afghanistan had trade surpluses with all its eight leading partners except USSR, Pakistan and Japan. In 1337 surpluses were maintained with India and UK.

59. Strenuous efforts are being made and will continue to be made to improve the quality of all exportable merchandise. Afghan karakul, carpets and certain fruits have established a fine reputation in some important foreign markets. Modern methods of packing, sorting and grading are gradually being introduced. Thus higher standards are being applied to the increasing volume of exports. Only in the field of karakul can Afghanistan hope to influence world prices. The country's share of the total world market is relatively small for all other commodities. Therefore, raising standards to obtain premium prices for high grade and distinctive merchandise is of the utmost urgency and priority.

60. Greater investment on improvements in standards should show earlier results in increased revenue than almost all other development expenditures. Investment is needed in modern sorting, packing and processing equipment. Improved processing of exports should yield both greater foreign exchange earnings and higher producers' income at an early date.

61. Decisions have to be made on the first steps to be undertaken in upgrading programs for the chief exports. It should always be borne in mind that foreign tariffs for processed commodities are higher than for those exported unprocessed. On the other hand transportation costs are often lowered. Great savings on freight could be achieved by cleaning wool and scraping hides before export. The total income from the sale of such raw materials can be greatly increased if they can conform to the buyers' standards of cleaning, grading and sorting.

62. It has been stated that the supply of some commodities badly in need of upgrading may be insufficient to justify heavy outlay on modern handling and processing plants. Initially this may be true, particularly for wool. However, markets for the better grades should soon be found and higher prices obtained which should result in increased production of the higher grade merchandise. Unless the efforts are made and the expenditures are incurred to initiate this process, trade in Afghanistan's basic agricultural commodities cannot be expected to grow rapidly in future.

63. The situation existing in the case of each of the leading export commodities needs to be surveyed and studied from a long-range viewpoint. Such surveys should naturally commence with the study of the agricultural problems related to each commodity. They should investigate marketing and storage practices and include studies of prevalent and possible systems of producer credit and estimates of the amounts available for helping to finance primary production. Methods of improving sorting, grading, packing and transportation also need to be studied further.

64. The activities and practices of the companies and of private merchants and exporters trading in the main agricultural commodities need to be reviewed together with the techniques adopted for marketing abroad. Proposals for providing higher incentives inclu-

Table 15

Balance of Trade with Main Trading Partners

(In Millions of Afghanis)

Country	1330 Order of Importance		1330 Value of Trade			1335 Value of Trade		
	As Market	As Supplier	Afghan Imports	Afghan Exports	Balance	Afghan Imports	Afghan Exports	Balance
India	1	1	256.0	215.1	— 40.9	513.2	442.9	— 70.3
U. S. A.	2	5	57.5	194.1	+ 136.6	55.4	318.8	+ 263.4
U. S. S. R.	3	3	100.1	134.0	+ 33.9	592.5	414.3	— 178.2
U. K.	5	6	30.6	59.3	+ 28.7	25.5	131 8	+ 106.3
Pakistan	4	2	104.8	95.3	— 9.5	232.7	74.5	— 158.2
Germany	6	7	10.9	21 9	+ 11.0	52.8	49.0	— 3.8
Czechoslovakia	—	—	0.1	—	— 0.1	8 4	27.0	+ 18.6
Japan	—	4	58 7	0.6	— 58.1	100.8	16.6	— 84.2

(+) : In Afghanistan's favour, (—): against

Country	1337 Order of Importance		1336 Value of Trade			1337 Value of Trade		
	As Market	As Supplier	Afghan Imports	Afghan Exports	Balance	Afghan Imports	Afghan Exports	Balance
India	1	4	214.9	580.3	+ 365.4	313.0	614 6	+ 301.6
U. S. A.	2	3	151.0	336.1	+ 185.1	477.0	367.5	— 109.5
U. S. S. R.	3	1	606.7	455.8	— 150.9	685.4	294.5	— 390.9
U. K.	4	7	53.0	254.8	+ 201.8	72.8	202.0	+ 129.2
Pakistan	5	5	406.2	96.5	— 309.7	208.8	100.9	— 107.9
Germany	6	6	69.3	117.7	+ 48.4	107.5	90 1	— 17.4
Czechoslovakia	7	8	20.6	111.9	+ 91.3	62.5	11.8	— 50.7
Japan	—	2	353.8	1.1	— 352.7	493.2	—	— 493.2

(+): In Afghanistan's favour, (—): against.

ding bonuses or exemption from taxes to stimulate increases in quantity and improvements in quality require careful consideration. It should be remembered that large amounts of these commodities are included under existing barter agreements. The relative benefits of this method of disposal should be studied carefully and compared with the advantage of direct sale for transferable or convertible currencies.

65. Furthermore, certain questions related to domestic consumption should be considered. The growing requirements of rapidly expanding local industries need to be carefully estimated and projected at least for the full Second Five-Year Plan period (starting September 1961 or Mizan 1340). Possible new industrial uses for major Afghan commodities need to be examined.

66. Diversification of primary production to meet the raw material needs of the growing industries more completely is essential. There is a danger in relying on a relatively small number of commodities. Diversification is a safeguard against uncertainties in the world market and is a policy which is being assiduously pursued by all the newly developing economies.

67. In addition to the improvement of the merchandise itself, a trend towards the adoption of more modern business practices has been evident in recent years. An example of this trend is the current proposal to amend the Commercial Code in order to formalise the use of arbitration procedures in settling commercial disputes. In contrast with only ten years ago licenses to conduct businesses are available to responsible foreign traders. There are no discriminatory taxes or regulations for foreign businesses. Foreign capital is invited to participate in the development program and special incentives are offered for industrial projects financed from abroad.

68. As such a large percentage of exports consists of raw materials, Afghanistan's economy and rate of growth are particularly dependent on the level of commodity prices in world markets. This has resulted in a series of rather sharp short-term fluctuations in the foreign exchange earnings of primary commodities. Moreover, downward trends in raw material prices have often been accompanied by rising costs for imported manufactured goods. Thus in the postwar years the terms of trade have been consistently turning against raw material producing countries like Afghanistan.

69. This trend emphasizes the necessity for increasing and diversifying agricultural production, for improving and expanding industry and at the same time upgrading Afghanistan's export commodities. It would, of course, be highly desirable if, through the medium of the United Nations or its regional agencies, steps could be taken to stabilise the prices of primary commodities on a worldwide or regional basis. The establishment of international buffer stocks for this purpose has frequently been proposed. Afghanistan earnestly hopes that action along these lines will eventually be undertaken.

70. Foreign trade is destined to play a vital part in Afghanistan's economic life. It is fully recognised that freedom of trade is one of the most important contributory factors to rapid and sound economic development. The country's present policies are aiming at freedom of trade rather than at complete self-sufficiency.

71. As explained in detail in Chapters 1 and 2 of this Survey, Afghanistan's economic development plans emphasise the importance of improving agriculture in order to satisfy expanding local demand and still leave a larger exportable surplus of fibres, furs, fruits and oil seeds for foreign markets. The emphasis that is being laid on the expansion of industry is bound to entail the use of more and more machinery and equipment which will have to be imported from abroad for many years to come.

72. It is true that in time more consumer goods will be satisfied from local sources but there are certain items that will continue to be imported in increasing quantities. Some of these are not suitable for Afghan soil or weather conditions, tea for instance. Other consumption goods, such as sugar, are not likely to be fully satisfied by local production in the near future The general rise in the standard of living of the people due to the vast development programs in progress including those for health and education, is likely to push up the volume of imports. Despite the expected increase in local prodution many agricultural and industrial items, imports as well as exports are likely to expand further in future.

73. The large-scale improvements now taking place in the fields of transport and communications, especially the rapid development of air transportation, should help to recapture Afghanistan's historic role as a centre of trade and commerce between East and West.

THE END

TABLE - AGRICULTURE (1)

AREA UNDER CULTIVATION AND PRODUCTION OF BASIC CROPS

(IN THOUSANDS)

BASIC CROPS	1334 (1955/56)		1337(1958/59)		1338(1959/60)	
	Area in Hectares	Crop in Metric Tons	Area in Hectares	Crop in Metric Tons	Area in Hectares	Crop in Metric Tons
Wheat.....	2,225.0	2,225.0	2,200.0	2,250.0	2,200.0	...
Corn.....	405.0	729.0	500.0	700.0	500.0	700.0
Barley.....	350.0	280.0	350.0	380.0	350.0	380.0
Rice.....	210.0	316.0	210.0	320.0	210.0	320.0
Sugar Beet.....	4.0	40.0	3.5	35.0	3.5	43.0
Sugar Cane.....	0.5	59.0	1.8	45.0	1.8	...
Fruits.....	17.0	50.0	1,000.0	500.0	1,000.0	...
Vegetables.....	100.0	100.0	100.0	400.0	100.0	400.0
Oilseeds.....	144.0	50.0	150.0	50.0	150.0	50.0
Cotton.....	63.0	22.0	65.0	9.0	65.0	18.0
Wool.....	...	...	25,000.0*	...	25,000.0*	...

(-) = nil or negligible. (...)= not available. * Head of sheep.

Sources: Statistical Department, Ministry of Agriculture and Survey of Progress,1959, Volume II, page 5.

TABLE-INDUSTRY(1)

CAPACITY AND PRODUCTION OF ELECTRIC PLANTS

Location	Installed capacity in K.W.		Production in K.W.H.	
	1337	1338	1337	1338
1 - DIESEL				
1. Herat.....	1,000	800	739,800	861,890
2. Kandahar.....	500	650	1,653,250	894,866
3. Kundus.....	500*	500	1,120,000	1,120,000
4. Gulbahar.....	570	570	200,000	200,000
5. Mazar-i-Sharif.....	320	320	70,000	180,735
6. Kataghan.....	300	300	600,000	600,000
7. Andkhoy.....	100	100	-	-
8. Farah.....	100	100	-	-
9. Girishk.....	50	50	50,000	50,000
10. Maimana.....	43	43	40,000	40,000
11. Jalalabad.....	30	30	30,000	30,000
Total.....	3,313	3,463	4,503,050	3,977,491
2 - HYDRO				
1. Sarobi.....	22,000	22,000	41,237,000	55,246,673
2. Pul-i-Khumri.....	4,800	4,800	14,900,000	10,765,000
3. Jabelseraj.....	2,840	2,840	1,953,100	2,586,600
4. Wardak.....	3,360	3,360	6,160,300	7,183,800
5. Girishk I.....	2,400	2,400	-	-
6. Baghlan I.....	50	50	150,000	150,000
7. Kandahar.....	-	-	1,087,464	948,469
8. Herat.....	100	100	290,000	269,830
9. Girishk II.....	85	85	170,000	170,000
10. Arghandab.....	75	75	150,000	150,000
11. Paghman.....	66	66	48,606	40,000
12. Baghlan II.....	300	300	-	-
13. Mazar-i-Sharif.....	36	36	40,000	40,000
Total.....	36,112	36,112	66,186,470	77,550,372
3(A) - STEAM				
1. Baghlan.....	1,340	1,340	685,000	685,000
2. Dyangalak.....	200	200	-	-
Total.....	1,540	1,540	685,000	685,000
3(B) - EMERGENCY DIESEL				
1. Kabul.....	1,200	1,200	-	-
2. Pul-i-Khumri.....	500	500	10,000	10,000
3. Sarobi.....	250	250	-	-
4. Dynagalak.....	100	100	240,000	240,000
5. Jabelseraj.....	100	100	80,000	80,000
6. Baghlan.....	75	75	40,000	40,000
Total.....	2,225	2,225	370,000	370,000

* This is a revised figure.

Source: Statistical Department, Ministry of Mines and Industries.

TABLE-INDUSTRY 2

MONTHLY INDUSTRIAL PRODUCTION

1338(1959/60)

Commodity Unit	Months*					
	Hamal	Sour	Jowza	Saratan	Asad	Sunbula
Cotton piece goods.....metres	1,432.80	1,557.50	1,273.80	1,421.00	1,062.10	1,421.60
Cotton yarn.....bundles	2.46	2.62	2.11	2.40	1.62	2.00
Artificial silk(rayon)metres	5.00	13.80	17.60	8.00	22.20	8.40
Woollen piece goods...sq.metres	16.90	21.40	39.60	34.10	25.60	19.10
Cement..metric tons	2,068.00	3,605.00	1,584.00	3,483.00	3,211.00	3,766.00
Matches.dozens	54.20	55.30	46.30	50.80	46.90	35.30
Sugar...metric tons+	...	...	...	...	...	...
Soap....cakes	51.80	26.80	...	7.30	...	13.80
China-ware....pieces	10,442.00	10,535.00	16,719.00	21,042.00	20,350.00	4,848.00

Commodity Unit	Mizan	Akrab	Kous	Jady	Dalw	Hoot
Cotton piece goods....metres	1,299.50	1,350.60	1,367.40	1,377.80	1,496.70	1,320.40
Cotton yarn.....bundles	1.80	1.70	1.90	2.90	2.70	1.10
Artificial silk (rayon)...metres	20.00	17.80	17.80	20.50	23.80	22.10
Woollen piece goods....sq.metres	34.90	29.70	45.30	24.50	24.60	17.30
Cement...metric tons+	3,766.00	3,090.00	2,714.00	1,176.00	2,170.00	3,445.00
Matches..dozens	11.50	28.30	38.70	40.30	36.70	39.80
Sugar....metric tons	...	...	...	...	...	...
Soap.....cakes	5.60	59.60	177.00	230.00	240.00	220.00
China-ware.....pieces	16,919.00	18,791.00	10,842.00	9,201.00	17,343.00	17,803.00

+ Annual figures are given in the text. (...) Stands for 'not available'.

Source: Statistical Department, Ministry of Mines and Industries.

TABLE - INDUSTRY (3)

MONTHLY PRODUCTION OF MINERALS

1338(1959/60)*

Mineral	Unit	Months					
		Hamal	Sour	Jowza	Saratan	Asad	Sunbula
Coal:							
1. Karkar..	metric tons	1,350.00	1,550.00	1,600.00	1,500.00	1,500.00	1,500.00
2. Ishpushta.	"	850.00	700.00	600.00	850.00	1,100.00	800.00
3. Total.....	"	2,200.00	2,250.00	2,200.00	2,350.00	2,600.00	2,300.00
Salt:							
1. Talokan...	"	1,018.74	1,555.31	1,595.19	1,123.51	1,168.47	1,025.91
2. Kilifgan..	"	109.88	323.26	264.78	217.78	116.14	145.78
3. Andkhoy...	"	863.19	1,451.21	404.45	418.61	607.86	712.41
4. Mazar.....	"	45.43	85.10	109.97	128.10	136.88	86.77
5. Total.....	"	2,037.24	3,414.88	2,174.39	1,888.00	2,029.35	1,970.87
Slate.....	square metres	...	...	...	...	...	...
Lapis Lazuli..	sears	...	...	...	...	...	...

		Mizan	Akrab	Kous	Jady	Dalw	Hoot
Coal:							
1. Karkar..	metric tons	1,500.00	2,400.00	3,000.00	3,000.00	4,000.00	3,000.00
2. Ishpushta.	"	1,800.00	1,500.00	1,712.00	1,650.00	1,938.00	2,000.00
3. Total.....	"	3,300.00	3,900.00	4,712.00	4,650.00	5,938.00	5,000.00
Salt:							
1. Talokan...	"	884.40	1,230.81	1,148.17	1,325.20	1,033.16	2,863.02
2. Kilifgan..	"	184.18	108.96	190.70	118.39	54.26	201.80
3. Andkhoy...	"	1,065.13	769.75	551.39	575.08	764.93	845.07
4. Mazar.....	"	46.51	45.26	46.83	52.26	39.27	22.58
5. Total.....	"	2,180.22	2,154.78	1,737.09	2,070.93	1,891.62	3,932.47
Slate.....	square metres	...	...	...	...	...	...
Lapis Lazuli.	sears	...	...	...	...	...	...

* See annual figures in the text. (...) stands for 'not available'.

Source: Statistical Department, Ministry of Mines and Industries.

TABLE-INDUSTRY 4

PRODUCTION OF COTTON TEXTILES

1335-1338

Particulars	1335 1956/57	1336 1957/58	1337 1958/59	1338 1959/60
1. Cotton consumption (In metric tons):				
Pul-i-Khumri.....	2,759.00	3,562.00	3,995.00	2,473.30
Jabelseraj.....	152.00	161.50	38.70*	...
2. Yarn production (In metric tons):				
Pul-i-Khumri.....	5,626.00	6,170.00	7,111.00	5,048.20
Jabelseraj.....	124.10	146.00	23.40*	...
3. Production of yarn (In thousands of bundles)**:				
Pul-i-Khumri.....	112.80	123.10	61.50	26.45
4. Yarn purchased (In metric tons):				
Jabelseraj.....	11.90	16.14	...	195.70
5. Production of cloth on handlooms(In thousands of metres):				
Jabelseraj.....	57.50	55.80	29.50*	26.50
6. Production of cloth on handlooms(In pieces):				
Jabelseraj.....	30,318.00	51,033.00	12,577.00*	51,770.00
7. Production of cloth on mechanical looms (In thousands of metres):				
Jabelseraj.....	691.70	605.60	222.90*	561.70
8. Total production of cloth (In thousands of metres)***:				
Pul-i-Khumri.....	14,656.00	19,103.00	21,093.00	15,633.00
Jabelseraj.....	749.20	661.40	252.40*	598.30

* Production for eight months only. **One bundles equals ten pounds.
*** Excluding production in pieces.

Sources: Pul-i-Khumri and Jabelseraj factories and the Statistical Department, Ministry of Mines and Industries.

TABLE - INDUSTRY(5)

SUGAR PRODUCTION IN AFGHANISTAN

1338 (1959/60)

PARTICULARS	1335 1956/57	1336 1957/58	1337 1958/59	1338 1959/60
Area cultivated (Jiribs)*.....	19,000.00	17,868.00	17,868.00	17,480.00
Sugar beet delivered by farmers(tons)....	35,813.00	41,317.00	41,697.00	42,966.20
Sugar used for production(tons)....	33,489.00	36,815.00	36,815.00	38,924.60
Production of raw sugar(tons).....	29.00	19.60	19.60	20.10
Production of crystal sugar (tons).....	4,757.00	4,793.00	4,793.00	4,475.30
Production of molasses(tons).....	996.00	974.00	974.00	691.20
Molasses used for fuel(tons).....	482.00	578.00	577.00	1,659.40
Sugar content of beets(percentage)...	16.95	15.30	15.30	14.415

* One jirib = 0.4824 acres

Source: Statistical Department, Ministry of Mines and Industries.

TABLE - TRANSPORT (1)

REGISTERED LORRIES AND BUSES BY PROVINCE

1336-1338 (1957/58 - 1959/60)

Province	NUMBER OF LORRIES									NUMBER OF BUSES								
	1336			1337			1338			1336			1337			1338		
	Vehicles registered	Vehicles gone out of operation	Total number registered by the end of the year	Vehicles registered	Vehicles gone out of operation	Total number registered by the end of the year	Vehicles registered	Vehicles gone out of operation	Total number registered by the end of the year	Vehicles registered	Vehicles gone out of operation	Total number registered by the end of the year	Vehicles registered	Vehicles gone out of operation	Total number registered by the end of the year	Vehicles registered	Vehicles gone out of operation	Total number registered by the end of the year
1. Kabul.....	2475	61	2414	771	9	3176	380	-	3556	274	5	269	93	-	362	62	-	424
2. Pakhtia....	151	-	151	35	-	186	47	-	233	6	-	6	1	-	7	-	-	7
3. Qandahar...	466	26	440	-	-	440	38	-	478	-	-	-	20	-	20	-	-	20
4. Qataghan...	274	3	271	-	-	271	-	-	271	-	-	-	7	-	7	-	-	7
5. Nangarhar..	241	5	236	2	-	238	4	-	242	6	-	6	4	-	10	4	-	14
6. Mazar.....	77	-	77	-	-	77	-	-	77	-	-	-	-	-	-	-	-	-
7. Herat.....	132	4	128	-	-	128	3	-	131	-	-	-	-	-	-	-	-	-
8. Girishk....	145	1	144	2	-	146	7	-	153	-	-	-	-	-	-	-	-	-
9. Ghazni.....	44	2	42	-	-	42	4	-	46	-	-	-	-	-	-	-	-	-
10. Parwan.....	223	-	223	-	-	223	-	-	223	16	-	16	-	-	16	-	-	16
11. Farah.....	47	3	44	-	-	44	19	-	63	-	-	-	-	-	-	-	-	-
12. Maimana....	21	-	21	-	-	21	-	-	21	-	-	-	-	-	-	-	-	-
13. Shibarghan.	18	-	18	-	-	18	-	-	18	-	-	-	-	-	-	-	-	-
14. Badakhshan.	10	-	10	-	-	10	-	-	10	-	-	-	-	-	-	-	-	-
TOTAL.....	4324	105	4219	810	9	5020	472	-	5522	302	5	297	125	-	422	66	-	488

Source: The Transport Department. Based on reports prepared by the Traffic Departments in the Provinces.

TABLE - TRANSPORT (2)

CIVIL AVIATION IN AFGHANISTAN

Particulars	Domestic Operations		International Operations		Total Operations - (International and Domestic)	
	1958	1959	1958	1959	1958	1959
1. Kilometres flown.....	900,000	1,130,000	1,000,000	1,500,000	1,900,000	2,630,000
2. Hours flown.....	3,600	4,500	3,330	5,000	6,930	9,500
3. Passengers flown.....	22,000	27,500	12,500	18,800	34,500	46,300
4. Passenger/ kilometres.....	14,850,000	18,600,000	22,360,000	33,500,000	37,210,000	52,100,000
Available seat/ kilometres.....	27,000,000	33,800,000	43,000,000	67,000,000	70,000,000	100,800,000
Percentage of utilisation.....	55%	55%	52%	50%	53%	52%
5. Ton-kilometres utilised.....	1,670,000	2,090,000	2,090,000	3,135,000	3,760,000	5,225,000
Of which:						
5(a) Passengers free luggage.....	1,170,000	1,460,000	1,720,000	2,500,000	2,890,000	4,040,000
5(b) Cargo.....	485,000	610,000	320,000	480,000	805,000	1,040,000
5(c) Mail.....	15,000	20,000	50,000	75,000	65,000	95,000
Available ton-kilometres.....	2,880,000	3,600,000	3,730,000	5,900,000	6,610,000	9,500,000
Percentage of utilisation.....	58%	58%	56%	53%	57%	55%

Source: I.C.A.O. Headquarters, Montreal, Canada.

TABLE - COMMUNICATION (1)

NUMBER OF POST OFFICES BY PROVINCE

1336(1957/58) - 1338 (1959/60)

Province	Central P.O.			City Branches P.O.			Airports P.O.			Frontier P.O.			Rural P.O.			Provincial P.O.			Army Barracks		
	36	37	38	36	37	38	36	37	38	36	37	38	36	37	38	36	37	38	36	37	38
Kabul.....	3	3	3	6	6	6	1	1	1	-	-	-	6	10	11	21	17	15	-	-	-
Kandahar...	3	3	3	1	1	1	1	1	1	1	1	1	6	10	13	22	17	14	-	-	1
Herat.....	4	4	4	1	1	1	1	1	1	2	2	2	4	8	13	22	18	6	-	-	1
Mazar.....	4	3	3	1	1	1	1	1	1	1	1	1	4	4	7	19	8	5	-	-	1
Kataghan...	4	4	4	-	-	-	-	-	-	-	-	-	5	8	11	20	17	14	-	-	1
Nangarhar..	4	4	4	1	1	1	-	-	-	1	1	1	7	10	13	27	24	21	-	-	-
Paktia.....	3	3	3	-	-	-	-	-	-	-	-	-	3	4	6	30	29	27	-	-	-
Parwan.....	2	2	2	-	-	-	-	-	-	-	-	-	3	4	6	20	19	17	-	-	-
Ghazni.....	2	2	2	-	-	-	-	-	-	-	-	-	1	3	5	22	20	18	-	-	-
Maimana....	1	1	1	-	-	-	-	-	-	-	-	-	4	5	7	8	7	5	-	-	-
Badakhshan.	1	1	1	-	-	-	-	-	-	-	-	-	2	3	5	10	9	7	-	-	-
Farah.....	1	1	1	-	-	-	-	-	-	-	-	-	3	4	5	10	9	8	-	-	-
Girishk....	1	1	1	-	-	-	-	-	-	-	-	-	2	3	4	10	9	8	-	-	-
Shiberghan.	0	1	1	-	-	-	-	-	-	-	-	-	0	2	3	0	9	8	-	-	-
Ghorat.....	-	-	1	-	-	-	-	-	-	-	-	-	-	-	3	-	-	5	-	-	-
Total.....	33	33	33	10	10	10	4	4	4	5	5	5	50	78	112	241	212	178	-	-	4

(-) = nil or negligible (...)= not available

Source: Ministry of Communications.

TABLE - COMMUNICATION (2)

ACTIVITIES OF POST OFFICES

1336 (1957 /58) - 1338(1959 /60)

	LOCAL				FOREIGN*			
	Ordinary		Registered		Ordinary		Registered	
	Surface	Air	Surface	Air	Surface	Air	Surface	Air
Letters:								
1336	16,004	-	2,305,882	-	29,191	139,034	49,253	90,901
1337	9,830	-	1,930,948	-	132,435	216,735	40,358	88,091
1338	22,389	-	2,251,940	-	61,416	235,789	63,175	79,544
Postcards:								
1336	705	-	245	-	2,089	-	173	-
1337	206	-	60	-	1,449	-	31	-
1338	74	-	3,163	-	3,611	-	712	-
Newspapers:								
1336	299,968	-	26,145	-	15,938	-	676	-
1337	138,216	-	159,343	-	22,575	-	1,143	-
1338	266,701	-	74,417	-	34,366	-	2,253	-
Parcels:								
1336	2,484	-	2,325	-	1	-	153	-
1337	535	-	2,923	-	31	-	800	-
1338	1,448	-	1,233	-	92		125	-
Documents:								
1336	492	-	1,586	-	5	-	14	-
1337	-	-	1,687	-	32	-	15	-
1338	70	-	1,180	-	5	-	79	-
Samples:								
1336	131	-	15	-	66	-	955	-
1337	-	-	1	-	97	-	415	-
1338	118	117	554	-	75	-	1,266	-

*Incoming mail from abroad is excluded from these figures.

(-)=nil or negligible (...)= not available.

Source: Ministry of Communications.

TABLE - COMMUNICATION (3)

SALE OF STAMPS AND RECEIPTS THEREOF

(IN AFGHANIS)

1336(1957/58) - 1338 (1959/60)

Province	Number of stamps			Income in Afghanis		
	1336	1337	1338	1336	1337	1338
Kabul.....	1,891,742	1,880,220	2,228,636	1,479,311	2,031,298	2,487,393
Herat.....	155,681	134,825	119,544	125,288	129,225	131,200
Kandahar....	155,680	134,826	122,644	115,497	117,299	140,520
Mazar.....	155,686	134,624	122,644	153,267	126,133	135,766
Kataghan....	155,660	134,923	122,644	178,305	157,313	170,425
Nangarhar...	132,971	119,405	110,560	84,178	98,415	98,534
Paktia.....	160,871	89,925	110,560	61,786	54,102	72,035
Maimana.....	91,471	76,140	78,670	62,757	56,963	51,109
Shiberghan..	-	76,925	55,610	-	45,920	52,445
Farah.....	84,971	70,520	65,610	30,970	32,756	38,052
Parwan.....	88,870	102,275	65,610	51,952	58,663	65,814
Ghazni.....	90,471	79,525	74,210	63,545	63,297	70,115
Badakhshan..	91,471	74,520	76,610	31,078	32,310	36,446
Girishk.....	89,471	77,985	76,610	33,465	33,106	28,249
Ghorat.....	-	-	3,100	-	-	3,294
Total.....	3,295,016	3,184,640	3,433,262	2,468,399	3,036,800	3,581,397

(-) = nil or negligible. (...)= not available.

Source: Ministry of Communications.

TABLE - COMMUNICATION (4)

RECEIPTS FROM POSTAL SERVICES

(IN AFGHANIS)

1336(1957/58) - 1338 (1959 / 60)

SOURCES OF INCOME

Province	Income from Stamps			Income from other sources			Total Income		
	1336	1337	1338	1336	1337	1338	1336	1337	1338
Kabul.....	1,479,311	2,031,298	2,387,393*	113,080	156,503	138,589	1,592,391	2,187,101	2,625,982
Herat.....	125,288	129,225	131,200	1,306	183	110	126,594	129,408	131,310
Kandahar.....	115,497	117,299	136,520*	73	605	560	115,570	117,904	137,080
Mazar.....	152,267	126,133	135,765	191	136	38	152,458	126,269	135,804
Kataghan.....	176,305	157,313	170,425	1,047	305	19	177,352	157,618	170,444
Nangarhar.....	84,178	98,415	98,534	116	1,056	1,150	84,294	99,471	99,684
Paktia.....	61,786	54,102	72,035	28	770	1,985	61,814	54,872	74,020
Maimana.....	62,756	56,963	51,109	72	-	-	62,829	56,963	51,109
Farah.....	30,970	32,756	38,052	392	79	36	31,362	32,835	38,088
Parwan.....	51,952	58,663	65,814	-	66	89	51,952	58,729	65,903
Ghazni.....	63,545	63,297	70,115	237	238	1,326	6,782	63,535	71,441
Badakhshan.....	31,078	32,610	36,446	424	143	143	31,502	32,453	36,589
Girishk.....	33,465	33,106	28,249	522	123	402	33,987	33,229	28,651
Shiberghan.....	17,228	45,920	52,445	-	261	1,553	17,228	46,181	53,998
Ghorat.....	-	-	3,294	-	-		-	-	3,294

*The slight discrepancy between these figures and those appearing in Table (3) could not be reconciled.

(-)= nil or negligible. (...)= not available.

Source: Ministry of Communications.

TABLE - COMMUNICATION (5)

POSTAL PERSONNEL BY PROVINCE

Province	Number of Employees				
	1334 (1955/56)	1335 (1956/57)	1336 (1957/58)	1337 (1958/59)	1338 (1959/60)
Kabul.....	83	87	94	91	92
Herat.....	35	35	40	36	35
Kandahar.....	23	25	27	27	30
Mazar.....	35	35	36	36	29
Kataghan.....	32	33	36	36	39
Paktia.....	20	22	23	23	25
Nangarhar.....	29	33	34	34	37
Girishk.....	10	12	13	13	14
Maimana.....	18	19	19	19	21
Farah.....	10	10	11	11	12
Badakhshan.....	8	10	10	10	12
Ghazni.....	10	12	13	13	15
Parwan.....	15	17	11	17	19
Shiberghan.....	-	-	-	-	11
Ghorat.....	-	-	-	-	7
Total.....	328	350	367	366	396

Source: Ministry of Communications.

TABLE - COMMUNICATION (6)

SWITCHBOARDS AND MAIN LINES IN EACH SWITCHBOARD

(BY PROVINCE)

1336 (1957/58) - 1338 (1959/ 60)

Province	Number of Switchboards			Number of main lines		
	1336	1337	1338	1336	1337	1338
Kabul.....	40	43	49	5,587	5,711	21,087
Mazar.....	14	14	15	198	198	302
Kandahar.....	14	14	17	328	328	390
Herat.....	13	13	15	215	215	520
Kataghan.....	18	18	20	197	197	340
Paktia.....	11	11	10	105	105	150
Parwan.....	16	16	15	185	185	245
Maimana.....	9	9	10	130	130	230
Nangarhar.....	18	18	20	250	250	390
Ghazni.....	14	14	14	160	160	160
Farah.....	6	6	8	85	85	97
Badakhshan.....	6	6	8	100	100	95
Girishk.....	8	8	12	44	44	255
Shiberghan.....	5	5	6	75	75	75
Total.....	192	195	219	7,659	7,783	24,336

(-) = nil or negligible. (...) = not available.

Source: Ministry of Communications.

TABLE - COMMUNICATION (7)

NUMBER OF TELEPHONES

BY PROVINCE

1336 (1957/58) - 1338 (1959/60)

Province	Official			Private			Service		
	1336	1337	1338	1336	1337	1338	1336	1337	1338
Kabul.....	456	1,026	1,030	1,483	2,080	2,531	63	63	66
Kandahar.....	84	96	79	199	205	192	14	21	21
Herat.....	76	83	75	89	95	115	9	9	9
Mazar.....	63	75	65	117	99	119	6	6	6
Kataghan.....	55	54	46	149	162	185	13	13	13
Nangarhar.....	75	94	92	19	22	28	7	7	7
Paktia.....	84	94	92	6	10	8	40	40	33
Parwan.....	30	36	36	74	52	60	8	8	8
Badakhshan.....	25	25	25	9	5	3	1	1	1
Maimana.....	44	47	43	55	77	91	13	13	13
Shiberghan.....	7	16	16	21	29	29	8	8	6
Farah.....	47	39	39	10	12	16	4	4	4
Ghazni.....	51	63	60	15	15	16	4	4	4
Girishk.....	-	8	8	-	4	3	-	3	16
Total.....	1,592	1,756	1,706	2,246	2,867	3,396	190	200	214

(-) = nil or negligible. (...) = not available.

Source: Ministry of Communications.

TABLE - COMMUNICATION (8)

INCOME FROM TELEPHONE SERVICES

(IN AFGHANIS)

1336(1957/58) - 1338(1959/60)

Months	Official	Private	Trunk Cables	Repairs and Fines	Sale of telephone equipment
Hamal:					
1336...	61,644	68,403	91,259	14,794	322,400
1337...	64,479	102,736	79,368	2,272	43,432
1338...	67,317	115,523	84,613	5,789	124,714
Sour:					
1336...	62,724	58,364	87,050	11,329	183,576
1337...	70,382	142,423	91,040	6,472	93,653
1338...	67,519	136,864	97,870	5,312	195,770
Jowza:					
1336...	68,567	83,078	92,019	18,136	104,750
1337...	70,631	104,036	93,477	3,529	67,723
1338...	67,868	120,839	87,801	6,579	123,241
Saratan:					
1336...	75,857	107,677	82,395	7,904	198,196
1337...	70,697	113,740	79,078	5,423	70,685
1338...	68,274	122,684	91,414	11,264	128,560
Asad:					
1336...	80,939	162,396	89,376	10,198	248,154
1337...	71,002	106,936	84,932	4,215	88,243
1338...	68,946	130,245	94,710	8,427	117,091
Sunbula:					
1336...	81,833	189,094	94,896	4,798	96,695
1337...	71,059	104,574	82,557	3,956	120,162
1338...	69,040	118,192	93,459	16,255	90,593
Mizan:					
1336...	82,283	73,825	100,628	11,428	216,919
1337...	66,993	105,955	88,125	7,338	63,866
1338...	72,005	134,383	97,560	6,428	30,729
Akrab:					
1336...	82,710	75,493	89,614	3,726	41,772
1337...	67,563	106,612	92,541	4,677	103,537
1338...	72,005	139,602	95,880	14,568	72,951
Kous:					
1336...	82,990	80,273	85,424	3,961	20,408
1337...	67,910	113,093	89,570	10,912	96,065
1338...	72,133	134,760	93,048	4,662	44,880
Jadi:					
1336...	83,305	90,310	90,575	7,022	127,081
1337...	68,557	111,187	93,376	17,190	151,061
1338...	72,174	142,540	95,223	8,835	81,306
Dalw:					
1336...	83,519	91,904	90,132	5,329	131,861
1337...	68,955	113,067	89,632	10,650	196,693
1338...	72,379	139,823	103,571	15,649	97,672
Hoot:					
1336...	83,736	119,832	94,044	10,612	114,676
1337...	69,571	123,171	94,176	11,051	99,348
1338...	72,401	147,033	100,152	17,791	87,669
Year Total 1336...	930,107	1,200,649	1,087,412	109,237	1,806,488
1337...	827,799	1,347,532	1,057,872	87,685	1,194,468
1338...	842,061	1,582,488	1,135,301	121,559	1,195,176

(-)= nil or negligible. (...)= not available.

Source: Ministry of Communications.

TABLE - COMMUNICATION (9)

TECHNICAL PERSONNEL OF TELEPHONES

Province	1334 (1955/56)	1335 (1956/57)	1336 (1957/58)	1337 (1958/59)	1338 (1959/60)
Kabul.....	97	111	140	140	139
Herat.....	42	42	42	42	40
Kandahar.....	21	22	29	29	23
Mazar.....	25	25	29	29	16
Kataghan.....	30	30	36	36	31
Nangarhar.....	41	41	47	47	45
Paktia.....	44	69	72	72	60
Maimana.....	21	22	23	23	14
Badakhshan.....	14	14	14	14	12
Parwan.....	27	25	25	25	21
Farah.....	10	10	10	10	9
Girishk.....	14	14	17	17	16
Shiberghan.....	-	-	-	-	7
Ghazni.....	22	24	28	28	23
Technical personnel of channel system..	-	-	-	-	52
Total.....	408	449	512	512	508

Source: Ministry of Communications.

TABLE - COMMUNICATION (10)

WIRELESS TELEPHONE CALLS AND RECEIPTS THEREOF

(IN AFGHANIS)

1336 (1957/58) - 1338 (1959/60)

Months	Number Incoming			Number Outgoing			Income		
	1336	1337	1338	1336	1337	1338	1336	1337	1338
Hamal.....	-	715	976	-	736	951	-	15,588	59,829
Sour.....	-	980	1,264	-	971	1,004	-	33,821	52,988
Jowza.....	-	969	816	-	953	851	-	43,443	54,503
Saratan....	-	652	769	-	796	798	-	38,732	47,686
Asad.....	40	1,008	904	32	1,055	882	855	50,828	41,324
Sunbula....	139	1,030	966	85	1,138	1,013	2,685	40,244	42,421
Mizan.....	474	1,170	989	458	1,173	1,016	6,870	39,896	36,423
Akrab.....	477	1,271	1,734	464	1,044	1,686	7,225	42,358	55,772
Kous.....	730	866	1,818	741	1,090	6,093	11,519	40,806	63,066
Jadi.....	693	972	2,114	698	1,002	1,777	11,114	33,082	78,897
Dalw.....	707	1,042	1,697	721	1,163	1,673	12,629	47,889	59,085
Hoot.....	911	1,010	1,677	872	1,061	1,650	13,307	42,340	73,369
Total.....	4,171	11,685	15,724	4,071	12,182	19,394	66,204	469,077	665,363

(-)= nil or negligible.

(...)= not available.

Source: Ministry of Communications.

TABLE - COMMUNICATION (11)

NUMBER OF CABLES EXCHANGED THROUGH TELEGRAPH OFFICES AND RECEIPTS THEREOF

(IN AFGHANIS)

1336 (1957/58) - 1338(1959/60)

Months		Number		Receipts	
		Incoming	Outgoing	Official	Private
Hamal:					
	1336...	35,035	34,211	173,432	581,506
	1337...	38,968	21,028	114,990	411,525
	1338...	18,506	13,775	177,825	681,657
Seur:					
	1336...	35,745	34,086	120,190	532,099
	1337...	40,344	24,010	113,477	569,875
	1338...	19,928	15,414	150,490	704,814
Jowza:					
	1336...	40,808	38,630	182,115	647,888
	1337...	38,503	25,693	186,187	648,686
	1338...	16,331	13,820	187,034	667,072
Saratan:					
	1336...	40,942	37,442	148,674	551,966
	1337...	37,622	20,827	130,779	611,885
	1338...	15,590	14,108	141,557	666,973
Asad:					
	1336...	40,352	39,055	214,882	576,764
	1337...	40,500	21,882	208,305	735,422
	1338...	20,253	18,494	183,376	703,263
Sunbula:					
	1336...	41,088	28,278	102,447	540,486
	1337...	40,142	21,775	258,112	764,661
	1338...	21,291	17,804	593,712	387,075
Mizan:					
	1336...	41,683	28,667	116,440	455,035
	1337...	30,520	23,462	230,834	829,303
	1338...	26,116	22,007	146,565	847,845
Akrab:					
	1336...	42,861	28,554	125,370	498,325
	1337...	25,030	20,542	140,907	651,169
	1338...	25,140	22,273	169,107	838,276
Kous:					
	1336...	39,789	23,423	112,090	496,812
	1337...	22,297	21,180	158,263	216,105
	1338...	17,486	16,707	234,559	686,096
Jadi:					
	1336...	39,542	24,196	106,940	523,279
	1337...	20,765	19,012	153,173	706,356
	1338...	16,473	15,819	235,891	710,964
Dalw:					
	1336...	28,144	22,572	129,006	487,367
	1337...	20,546	17,584	130,674	657,091
	1338...	16,803	15,484	135,972	672,682
Hoot:					
	1336...	39,599	23,584	96,128	495,662
	1337...	19,711	16,652	159,784	664,895
	1338...	17,102	16,727	322,091	709,664
Year Total	1336...	465,588	362,698	1,627,714	6,387,189
	1337...	374,948	253,647	1,985,485	7,466,973
	1338...	231,019	202,432	2,678,179	8,276,381

(-) = nil or negligible

(...)= not available

Source: Ministry of Communications.

TABLE - COMMUNICATION (12)

TECHNICAL PERSONNEL OF TELEGRAPH OFFICES

Province	1334 (1955/56)	1335 (1956/57)	1336 (1957/58)	1337 (1958/59)	1338 (1959/60)
Kabul.....	45	52	52	77	76
Herat.....	12	12	16	16	16
Kandahar.....	12	12	12	12	12
Mazar.....	6	6	8	8	4
Kataghan.....	16	16	16	16	16
Nangarhar.....	10	10	10	10	10
Paktia.....	8	8	8	8	8
Maimana.....	6	6	6	6	7
Badakhshan.....	2	2	6	6	6
Parwan.....	2	2	2	2	2
Farah.....	4	6	6	6	6
Girishk.....	4	4	4	4	4
Ghazni.....	2	2	2	2	2
Shiberghan.....	-	-	-	-	2
Total.....	129	138	148	173	171

Source: Ministry of Communications.

TABLE - COMMUNICATION (13)

WEEKLY SERVICES OF RADIO KABUL

1336(1957/58) - 1338(1959 / 60)

PROGRAM	1336		1337		1338	
	Number of:		Number of:		Number of:	
	Hours	Minutes	Hours	Minutes	Hours	Minutes
Pashtunistan...	4	40	4	40	4	40
Arabic.....	-	-	2	20	3	30
Urdu.....	2	20	2	20	3	30
English.....	1	45	2	20	3	30
News.....	5	41	4	49	7	49
Music.....	23	3	24	36	24	2
Pashtu Lecture.	-	10	-	20	1	10
Stories.....	-	10	-	25	1	-
Dramas.....	-	30	-	30	-	20
Educational....	1	36	2	45	3	34
Advertisements.	2	5	1	55	1	45

(-)= nil or negligible. (...)= not available.

Source: Ministry of Communications.

TABLE - HEALTH (1)

HOSPITALS AND MEDICAL FACILITIES

Type of Service	1336	1337	1338
Kabul:			
Hospitals.....	9	9	9
Doctors.....	113	117	144
Beds.....	834	885	919
Pharmacies....	8	8	8
Laboratories..	5	4	4
X-Ray.....	6	6	6
Herat:			
Hospitals.....	7	7	7
Doctors.....	7	5	6
Beds.....	110	130	135
Pharmacies....	6	7	7
Laboratories..	1	1	1
X-Ray.....	1	1	1
Kandahar:			
Hospitals.....	4	5	5
Doctors.....	8	8	8
Beds.....	90	110	110
Pharmacies....	4	5	5
Laboratories..	1	1	1
X-Ray.....	1	1	1
Mazar:			
Hospitals.....	8	6	6
Doctors.....	4	4	5
Beds.....	60	70	70
Pharmacies....	5	6	6
Laboratories..	1	1	1
X-Ray.....	1	1	1
Kataghan:			
Hospitals.....	5	6	6
Doctors.....	4	4	4
Beds.....	60	80	85
Pharmacies....	5	6	6
Laboratories..	1	1	1
X-Ray.....	-	-	-
Nangarhar:			
Hospitals.....	5	6	6
Doctors.....	4	4	7
Beds.....	70	90	90
Pharmacies....	5	6	6
Laboratories..	1	1	1
X-Ray.....	1	1	1
Paktia:			
Hospitals.....	4	4	4
Doctors.....	5	4	3
Beds.....	65	65	70
Pharmacies....	4	4	4
Laboratories..	1	1	1
X-Ray.....	-	-	-
Total for the whole country			
Hospitals.....	52	52	52
Doctors.....	160	166	193
Beds.....	1,409	1,558*	1,709**
Pharmacies....	48	51	51
Laboratories..	13	14	14
X-Ray.....	10	11	11

Type of Service	1336	1337	13
Maimana:			
Hospitals.....	2	1	1
Doctors.....	2	2	3
Beds.....	15	25	35
Pharmacies.....	2	1	1
Laboratories...	-	1	1
X-Ray.....	-	1	1
Shiberghan:			
Hospitals.....	1	1	1
Doctors.....	-	2	1
Beds.....	15	15	15
Pharmacies.....	1	1	1
Laboratories...	-	-	-
X-Ray.....	-	-	-
Ghazni:			
Hospitals.....	2	2	2
Doctors.....	2	3	3
Beds.....	25	25	35
Pharmacies.....	2	2	2
Laboratories...	1	1	1
X-Ray.....	-	-	-
Parwan:			
Hospitals.....	2	2	2
Doctors.....	2	3	2
Beds.....	25	25	35
Pharmacies.....	2	2	2
Laboratories...	1	1	1
X-Ray.....	-	-	-
Badakhshan:			
Hospitals.....	1	1	1
Doctors.....	2	2	2
Beds.....	15	25	25
Pharmacies.....	2	1	1
Laboratories...	-	-	-
X-Ray.....	-	-	-
Farah:			
Hospitals.....	2	2	2
Doctors.....	2	3	3
Beds.....	25	25	25
Pharmacies.....	2	2	2
Laboratories...	-	-	-
X-Ray.....	-	-	-
Girishk:			
Hospitals.....	-	...	...
Doctors.....	5	5	5
Beds.....	-	15	15
Pharmacies.....	-	-	-
Laboratories...	-	1	1
X-Ray.....	-	-	-

* Excluding privately-owned and run pharmacies.

**The numbers of beds under the Ministry of Health for 1337 and 1338 were 885 and 1,005 respectively. The numbers shown in this table, however, indicate the total number of beds including those in the Aliabad Hospital, Kabul.

(-)= nil or negligible.
(...)=not available.

Source: Ministry of Health.

TABLE - HEALTH (2)

SPECIALISED MEDICAL INSTITUTIONS

Province	1336			1337			1338		
	Maternity Hospitals	T.B. Sanatoria	Mental Hospitals	Maternity Hospitals	T.B. Sanatoria	Mental Hospitals	Maternity Hospitals	T.B. Sanatoria	Mental Hospitals
Kabul:									
Number.....	1	2	1	1	2	1	1	2	1
Beds.....	70	162	80	60	162	91	60	162	91
X-Ray.....	-	2	-	-	2	-	-	2	-
Laboratories	-	2	-	-	2	-	-	2	-
Pharmacies..	1	2	-	1	2	-	1	2	-
Kandahar:									
Number.....	1	-	-	1	-	-	1	-	-
Beds.....	10	-	-	10	-	-	10	-	-
X-Ray.....	1	-	-	1	-	-	1	-	-
Laboratories	1	-	-	1	-	-	1	-	-
Pharmacies..	1	-	-	1	-	-	1	-	-
Mazar:									
Number.....	1	-	-	1	-	-	1	-	-
Beds.....	10	-	-	10	-	-	10	-	-
X-Ray.....	1	-	-	1	-	-	1	-	-
Laboratories	1	-	-	1	-	-	1	-	-
Pharmacies..	1	-	-	1	-	-	1	-	-
Herat:									
Number.....	1	-	-	1	-	-	1	-	-
Beds.....	10	-	-	10	-	-	10	-	-
X-Ray.....	1	-	-	1	-	-	1	-	-
Laboratories	1	-	-	1	-	-	1	-	-
Pharmacies..	1	-	-	1	-	-	1	-	-
Nangarhar:									
Number.....	1	-	-	1	-	-	1	-	-
Beds.....	10	-	-	10	-	-	10	-	-
X-Ray.....	-	-	-	-	-	-	-	-	-
Laboratories	1	-	-	1	-	-	1	-	-
Pharmacies..	1	-	-	1	-	-	1	-	-

(-)= nil or negligible

(...)= not available

Source: Statistical Department, Ministry of Health.

TABLE - HEALTH (3)

PROFESSIONAL PERSONNEL OF MEDICAL INSTITUTIONS

Type of Personnel	1336	1337	1338
KABUL:			
1.... Afghan Doctors	113	117	141
2.... Assistant Doctors	27	28	18
3.... Foreign Doctors	4	4	10
4.... Foreign Proteson	1	1	1
5.... Pharmacists	37	37	38
6.... Druggists	38	38	39
7.... Laboratory Technicians	26	26	26
8.... Male nurses	108	108	109
9.... Female nurses	58	58	69
10.... Assistant nurses	10	10	12
11.... Technicians	29	29	24
12.... Laboratory assistants	14	21	19
13.... Vaccinators	11	11	8
14.... Surgery attendants	16	16	15
15.... Sanitarians	3	3	2
16.... Mechanics	10	10	22
17.... Midwives	37	44	62
18.... Assistant dentists	5	5	5
19.... Dental Medical Consultants	6	6	9
20.... Assistant Proteson	-	-	-
PERWAN:			
1.... Afghan Doctors	2	3	2
2.... Assistant Doctors	2	2	2
3.... Foreign Doctors	-	-	-
4.... Foreign Proteson	-	-	-
5.... Pharmacists	1	1	1
6.... Druggists	2	2	2
7.... Laboratory Technicians	-	-	-
8.... Male nurses	4	5	5
9.... Female nurses	-	-	-
10.... Assistant nurses	-	-	-
11.... Technicians	1	-	-
12.... Laboratory assistants	1	1	-
13.... Vaccinators	2	1	1
14.... Surgery attendants	2	2	2
15.... Sanitarians	-	-	-
16.... Mechanics	-	-	-
17.... Midwives	-	-	-
18.... Assistant dentists	-	-	-
19.... Dental Medical Consultants	-	-	-
20.... Assistant Proteson	-	-	-
GHAZNI:			
1.... Afghan Doctors	2	3	3
2.... Assistant Doctors	2	1	1
3.... Foreign Doctors	-	-	-
4.... Foreign Proteson	-	-	-
5.... Pharmacists	-	-	-
6.... Druggists	3	3	3
7.... Laboratory Technicians	-	-	-
8.... Male nurses	3	4	4
9.... Female nurses	-	-	-
10.... Assistant nurses	-	-	-
11.... Technicians	-	-	-
12.... Laboratory assistants	1	1	1
13.... Vaccinators	1	1	1
14.... Surgery attendants	2	2	2
15.... Sanitarians	-	-	-
16.... Mechanics	-	-	-
17.... Midwives	1	-	-
18.... Assistant dentists	-	-	-
19.... Dental Medical Consultants	-	-	-
20.... Assistant Proteson	-	-	-
KANDAHAR:			
1.... Afghan Doctors	8	8	8
2.... Assistant Doctors	3	3	3
3.... Foreign Doctors	-	-	-
4.... Foreign Proteson	-	-	-
5.... Pharmacists	1	1	1
6.... Druggists	5	5	5
7.... Laboratory Technicians	-	-	-
8.... Male nurses	16	16	16
9.... Female nurses	-	-	-
10.... Assistant nurses	-	-	-
11.... Technicians	1	1	1
12.... Laboratory assistants	1	1	1
13.... Vaccinators	4	4	4
14.... Surgery attendants	5	5	6
15.... Sanitarians	2	4	4
16.... Mechanics	2	2	2
17.... Midwives	16	16	16
18.... Assistant dentists	1	1	-
19.... Dental Medical Consultants	-	-	-
20.... Assistant Proteson	1	1	1

	1336	1337	1338
FARAH:			
1....	2	3	3
2....	2	2	2
3....	-	-	-
4....	-	-	-
5....	-	-	-
6....	2	3	-
7....	-	-	-
8....	4	5	5
9....	-	-	-
10....	-	-	-
11....	-	-	-
12....	-	1	-
13....	2	2	1
14....	2	2	2
15....	-	-	-
16....	-	-	-
17....	-	-	-
18....	-	-	-
19....	-	-	-
20....	-	1	-
HERAT:			
1....	7	5	6
2....	5	4	4
3....	1	-	-
4....	-	-	-
5....	1	1	1
6....	6	6	6
7....	-	-	-
8....	10	10	10
9....	-	-	-
10....	-	-	-
11....	1	1	1
12....	1	1	1
13....	3	3	3
14....	6	6	6
15....	-	-	-
16....	2	1	1
17....	12	12	12
18....	1	1	1
19....	-	-	-
20....	1	1	1
MAIMANA:			
1....	2	2	3
2....	-	-	-
3....	-	-	-
4....	-	-	-
5....	-	1	1
6....	2	1	1
7....	-	-	-
8....	4	4	4
9....	-	-	-
10....	-	-	-
11....	-	-	1
12....	-	-	-
13....	1	1	1
14....	2	2	2
15....	-	-	-
16....	-	-	-
17....	-	-	-
18....	-	-	-
19....	-	-	-
20....	-		-

	1336	1337	1338
MAZAR:			
1....	4	4	5
2....	4	4	4
3....	-	-	-
4....	-	-	-
5....	1	-	-
6....	5	5	6
7....	-	-	-
8....	8	8	8
9....	-	-	-
10....	-	-	-
11....	1	1	1
12....	1	1	1
13....	5	5	5
14....	7	7	7
15....	-	-	-
16....	1	1	1
17....	3	3	-
18....	1	1	1
19....	-	-	-
20....	1	1	1
SHIBERGHAN:			
1....	-	2	1
2....	1	2	2
3....	-	-	-
4....	-	-	-
5....	-	-	-
6....	1	2	1
7....	-	-	-
8....	1	3	3
9....	-	-	-
10....	-	-	-
11....	-	-	-
12....	-	-	-
13....	-	-	-
14....	2	2	2
15....	-	-	-
16....	-	-	-
17....	-	-	-
18....	-	-	-
19....	-	-	-
20....	-	-	-
KATAGHAN:			
1....	4	4	4
2....	3	4	4
3....	-	-	-
4....	-	-	-
5....	-	-	-
6....	7	7	8
7....	-	-	-
8....	8	8	8
9....	-	-	-
10....	-	-	-
11....	-	-	-
12....	-	-	1
13....	5	5	5
14....	6	6	7
15....	-	-	-
16....	-	-	-
17....	-	1	-
18....	1	1	1
19....	-	-	-
20....	-	-	-
BADAKHSHAN:			
1....	2	2	2
2....	1	1	1
3....	-	-	-
4....	-	-	-
5....	-	-	-
6....	1	3	-
7....	-	-	-
8....	3	4	4
9....	-	-	-
10....	-	-	-
11....	-	-	-
12....	-	-	-
13....	1	1	1
14....	1	1	1
15....	-	-	-
16....	-	-	-
17....	-	-	-
18....	-	-	-
19....	-	-	-
20....	-	-	-

	1336	1337	1338
NANGARHAR:			
1....	4	4	7
2....	4	6	6
3....	-	-	-
4....	-	-	-
5....	1	1	-
6....	5	5	6
7....	-	-	-
8....	8	8	8
9....	1	1	1
10....	-	-	-
11....	-	-	-
12....	2	1	1
13....	3	3	3
14....	5	5	5
15....	2	4	-
16....	1	1	1
17....	2	1	-
18....	-	1	1
19....	-	-	-
20....	-	-	-
PAKTIA:			
1....	5	4	3
2....	1	1	1
3....			
4....			
5....			
6....	1	1	-
7....	4	4	5
8....			
9....	6	6	6
10....	-	1	1
11....	-	1	-
12....	1	1	1
13....	2	2	2
14....	3	3	3
15....	4	4	3
16....			
17....			
18....			
19....	1	1	-
20....			
TOTAL FOR WHOLE COUNTRY			
1....	160	166	193
2....	55	58	48
3....	5	4	10
4....	1	1	1
5....	43	43	42
6....	84	87	82
7....	26	26	26
8....	193	199	200
9....	59	60	71
10....	10	11	12
11....	35	34	31
12....	24	32	27
13....	43	42	39
14....	62	62	62
15....	10	16	6
16....	16	15	27
17....	71	77	90
18....	10	12	12
19....	1	1	1
20....	5	4	4
TOTAL	911	950	984

(-)= nil or negligible

(...)=not available

Source: Statistical Department, Ministry of Health.

TABLE - HEALTH (4)

NON-PROFESSIONAL PERSONNEL OF MEDICAL INSTITUTIONS

Number of personnel	1336	1337	1338
Kabul:			
Office personnel..	217	517	594
Store-keepers.....	22	91	101
Orderlies.....	60	783	867
Others.....	357	503	470
Kandahar:			
Office personnel..	19	19	23
Store-keepers.....	4	5	6
Orderlies.....	15	25	77
Others.....	77	35	26
Mazar:			
Office personnel..	33	17	9
Store-keepers.....	5	6	7
Orderlies.....	12	10	57
Others.....	58	40	21
Parwan:			
Office personnel..	4	4	7
Store-keepers.....	2	4	5
Orderlies.....	6	9	28
Others.....	28	10	6
Badakhshan:			
Office personnel..	7	3	4
Store-keepers.....	2	2	1
Orderlies.....	4	6	14
Others.....	28	11	3
Farah:			
Office personnel..	21	5	7
Store-keepers.....	2	3	3
Orderlies.....	5	7	28
Others.....	19	8	2
Girishk:			
Office personnel..	7	9	4
Store-keepers.....	4	5	5
Orderlies.....	4	11	15
Others.....	28	21	17

Number of personnel	1336	1337	1338
Herat:			
Office personnel..	22	19	21
Store-keepers.....	5	6	7
Orderlies.....	13	15	71
Others.....	84	68	24
Kataghan:			
Office personnel..	20	6	21
Store-keepers.....	5	6	6
Orderlies.....	13	7	54
Others.....	53	30	31
Nangarhar:			
Office personnel..	16	14	26
Store-keepers.....	4	7	8
Orderlies.....	14	12	83
Others.....	77	30	28
Paktia:			
Office personnel..	14	13	19
Store-keepers.....	4	6	6
Orderlies.....	14	10	50
Others.....	40	22	24
Maimana:			
Office personnel..	4	4	8
Store-keepers.....	2	2	2
Orderlies.....	4	6	24
Others.....	14	10	10
Ghazni:			
Office personnel..	4	4	8
Store-keepers.....	2	3	3
Orderlies.....	4	9	25
Others.....	28	11	8
Shiberghan:			
Office personnel..	-	3	4
Store-keepers.....	-	2	2
Orderlies.....	-	5	15
Others.....	-	8	5

Total for the whole country

	1336	1337	1338
Office personnel.....	388	637	765
Store-keepers.....	63	158	162
Orderlies.....	168	934	1,408
Others.....	891	797	675
Total.....	1,510	2,527	3,010

(-)= nil or negligible.
(...)= not available.
Source: Ministry of Health.

TABLE - HEALTH (5)

CASES OF CONTAGIOUS DISEASES TREATED IN HOSPITALS BY PROVINCE

Type of diseases	1336	1337	1338	1336	1337	1338	1336	1337	1338	1336	1337	1338
KABUL:				**FARAH:**			**KATAGHAN:**			**SHIBERGHAN:**		
1. Smallpox.....	8	8	37	31	37	26	52	52	55	-	6	-
2. Relapsing fever.....	-	-	-	-	-	-	-	-	-	-	-	-
3. Typhus.....	-	-	2	-	-	-	-	-	-	-	-	-
4. Measles.....	100	104	37	218	111	69	112	1	106	-	-	10
5. Whooping cough.....	135	132	12	61	57	23	111	138	52	-	-	-
6. Dysentery Bacilry.....	199	201	11	95	33	139	485	342	175	-	11	42
7. Amebic Dysentery.....	17	17	11	283	225	192	452	432	85	-	3	-
8. Typhoid.....	92	90	61	2	1	31	46	38	3	-	-	-
9. Diphtheria.....	43	49	71	-	-	-	3	3	-	-	-	-
10. Influenza.....	46	46	89	-	-	41	44	44	436	-	-	-
PERWAN:				**HERAT:**			**BADAKHSHAN:**			**TOTAL FOR THE WHOLE COUNTRY**		
1. Smallpox.....	10	11	8	52	58	203	1	-	-	266	277	440
2. Relapsing fever.....	-	-	-	-	-	-	-	-	-	-	-	-
3. Typhus.....	-	-	3	-	-	-	-	-	-	7	7	41
4. Measles.....	11	9	3	629	58	103	-	-	-	1,440	1,319	951
5. Whooping cough.....	76	76	8	199	168	57	-	-	-	1,024	988	364
6. Dysentery Bacilry.....	4	4	9	41	45	579	-	-	-	2,062	1,985	3,006
7. Amebic Dysentery.....	1	1	-	74	77	-	-	-	-	939	828	343
8. Typhoid.....	3	7	6	41	27	228	-	-	-	286	275	425
9. Diphtheria.....	-	1	-	11	7	-	-	-	-	88	86	120
10. Influenza.....	6	8	39	29	29	322	1	-	-	149	149	1,184
GHAZNI:				**MAIMANA:**			**NANGARHAR:**					
1. Smallpox.....	12	12	14	-	-	11	26	31	30			
2. Relapsing fever.....	-	-	-	-	-	-	-	-	-			
3. Typhus.....	-	-	-	6	6	35	-	-	1			
4. Measles.....	15	550	12	13	80	1	78	-	11			
5. Whooping cough.....	15	-	6	-	3	-	43	43	52			
6. Dysentery bacilry.....	2	-	196	42	20	1	525	521	613			
7. Amebic Dysentery.....	-	-	-	13	3	-	34	9	12			
8. Typhoid.....	3	8	1	2	1	1	8	9	20			
9. Diphtheria.....	-	1	2	-	1	1	9	9	21			
10. Influenza.....	-	-	30	-	1	-	19	17	-			
KANDAHAR:				**MAZAR:**			**PAKTIA:**					
1. Smallpox.....	64	46	12	5	4	41	5	11	3			
2. Relapsing fever.....	-	-	-	-	-	-	-	-	-			
3. Typhus.....	-	-	-	1	1	-	-	-	-			
4. Measles.....	100	178	422	54	23	177	110	170	-			
5. Whooping cough.....	226	207	128	95	101	23	63	63	3			
6. Dysentery bacilry.....	199	296	354	272	235	808	198	198	99			
7. Amebic Dysentery.....	15	15	34	50	36	1	-	-	8			
8. Typhoid.....	85	86	65	2	6	9	2	2	-			
9. Diphtheria.....	21	14	25	1	-	-	-	-	-			
10. Influenza.....	4	4	83	-	-	144	-	-	-			

(-)= nil or negligible. (...) = not available. Source: Statistical Department, Ministry of Health.

TABLE - HEALTH (6)

PERFORMANCE OF MEDICAL INSTITUTIONS

Type of Service	1336	1337	1338	1336	1337	1338
KABUL:				**BADAKHSHAN:**		
1. Outpatients.....	285,435	283,269	286,551	11,295	11,870	12,784
2. Inpatients.....	10,642	11,792	11,731	126	140	371
3. Total treated.....	296,077	295,061	298,282	11,421	12,010	13,155
4. Smallpox inoculations...	180,946	158,958	240,147	20,000	30,000	11,708
5. Number receiving medicines.....	75,488	77,893	79,036	-	-	-
6. Number of operations....	4,351	4,742	5,975	-	-	-
KANDAHAR:				**FARAH:**		
1. Outpatients.....	31,210	48,264	49,015	1,748	19,308	19,275
2. Inpatients.....	439	497	836	295	236	492
3. Total treated.....	31,649	48,761	49,851	17,343	19,544	19,767
4. Smallpox inoculations...	101,000	45,900	112,520	8,000	20,000	24,715
5. Number receiving medicines.....	-	-	-	-	-	-
6. Number of operations....	-	-	-	-	-	-
MAZAR:				**KATAGHAN:**		
1. Outpatients.....	24,810	26,190	27,210	34,188	36,254	36,412
2. Inpatients.....	189	162	474	549	325	842
3. Total treated.....	24,999	26,352	27,684	34,737	36,579	37,254
4. Smallpox inoculations...	40,500	50,200	59,124	24,000	32,000	26,962
5. Number receiving medicines.....	-	-	-	-	-	-
6. Number of operations....	-	-	-	-	-	-
HERAT:				**NANGARHAR:**		
1. Outpatients.....	25,850	27,430	28,200	24,842	26,904	27,942
2. Inpatients.....	20	381	824	83	802	1,130
3. Total treated.....	25,870	27,811	29,024	24,925	27,706	29,072
4. Smallpox inoculations...	25,000	34,000	68,504	40,000	50,000	192,076
5. Number receiving medicines.....	-	-	-	-	-	-
6. Number of operations....	-	-	-	-	-	-
GHAZNI:				**PAKTIA:**		
1. Outpatients.....	12,998	20,895	21,655	21,595	23,429	23,644
2. Inpatients.....	295	301	530	253	633	903
3. Total treated.....	13,293	21,196	22,195	21,848	24,062	24,547
4. Smallpox inoculations...	20,000	26,000	27,200	15,000	19,000	39,307
5. Number receiving medicines.....	-	-	-	-	-	-
6. Number of operations....	-	-	-	-	-	-
PERWAN:				**MAIMANA:**		
1. Outpatients.....	30,291	32,180	32,892	9,354	13,196	15,613
2. Inpatients.....	339	310	645	189	236	567
3. Total treated.....	30,630	32,490	33,537	9,543	13,432	16,180
4. Smallpox inoculations...	59,100	5,980	51,414	16,000	22,000	26,929
5. Number receiving medicines.....	-	-	-	-	-	-
6. Number of operations....	-	-	-	-	-	-
SHIBERGHAN:				**TOTAL FOR THE WHOLE COUNTRY**		
1. Outpatients.....	-	3,871	4,589	513,616	573,060	585,783
2. Inpatients.....	-	90	326	13,419	15,905	19,681
3. Total treated.....	-	3,961	4,915	527,035	588,965	605,464
4. Smallpox inoculations...	-	14,000	18,075	549,546	561,858	898,681
5. Number receiving medicines.....	-	-	-	75,488	77,893	79,036
6. Number of operations....	-	-	-	4,351	4,742	5,975

(-)= nil or negligible (...)= not available Source: Statistical Department, Ministry of Health.

TABLE - EDUCATION (1)

SCHOOLS, TEACHERS AND STUDENTS AND EDUCATIONAL EXPENDITURES

	1336	1337	1338
Number of schools.....	854	869	1,055
Number of male and female teachers.....	4,196	4,358	4,677
Number of male and female students.....	141,536	155,014	165,596
Average number of students in each school.....	165	-	175
Average number of teachers in each school.....	5	-	5
Average number of students per teacher.....	33	-	35
Total budget.....	39,594	79,187	189,647
Average expenditure per student.	-	563	874
Expenditure index percentage increase (1321= 100).....	-	565	1,104
Percentage increase in budget previous year.....	-	12	6
University Budget.....	16,237	32,474	-
Total Budget.....	55,831	111,661	-
Budget for health institution...	7,731	15,463	-

(-)= nil or negligible (...)= not available

Source: Department of Statistics, Ministry of Education.

TABLE - EDUCATION (2)

NUMBER OF EDUCATIONAL INSTITUTIONS, STUDENTS

AND GRADUATES

	Village Schools	Primary Schools	Secondary Schools	Senior High Schools	Vocational Schools	University	Total
1336							
Number of Institutions:							
For boys.....	453	313	10	12	28	8	824
For girls.....	4	18	4	2	-	2	30
Students:							
Boys.....	21,744	96,173	4,103	1,085	4,939	914	128,958
Girls.....	153	11,008	1,127	251	-	39	12,578
Graduates:							
Boys.....	-	4,637	79	177	565	118	5,576
Girls.....	-	190	25	53	-	7	275
1337							
Number of Institutions:							
For boys.....	462	318	10	12	27	8	837
For girls.....	3	20	4	3	-	2	32
Students:							
Boys.....	23,725	105,348	4,981	1,266	4,427	1,231	140,978
Girls.....	224	12,022	1,427	299	-	64	14,036
Graduates:							
Boys.....	-	4,934	74	213	637	136	5,994
Girls.....	-	244	4	42	-	8	298
1338							
Number of Institutions:							
For boys.....	591	344	12	13	30	8	998
For girls....	23	23	5	5	-	3	57
Students:							
Boys.....	25,670	108,972	5,680	1,679	4,897	1,397	148,295
Girls....	1,091	14,145	1,606	353	-	106	17,301
Graduates:							
Boys.....	-	4,966	187	368	710	208	6,439
Girls....	-	230	20	66	-	-	316

(-)= nil or negligible. (...)= not available.

Source: Department of Statistics, Ministry of Education.

TABLE - EDUCATION (3)

KABUL UNIVERSITY STUDENTS AND GRADUATES

Faculties of:	1336		1337		1338	
	Number of students	Number of graduates	Number of students	Number of graduates	Number of students	Number of graduates
Medicine.....	210	34	382	32	357	32
Law.....	282	30	281	24	307	57
Science.....	131	21	147	19	222	24
Arts.....	125	18	161	25	172	31
Literature for women.	20	7	30	-	33	-
Science for women....	19	-	34	-	15	-
Theology.....	82	15	88	18	96	24
Agriculture.....	27	-	48	-	76	13
Engineering.....	39	-	67	-	86	-
Economics.....	18	-	57	18	81	27
Medicine for women...	-	-	-	-	58	-
Total.....	953	125	1,295	136	1,503	208

(-)= nil or negligible. (...)= not available.

Source: Department of Statistics, Ministry of Education.

TABLE - EDUCATION (4)

SCHOOLS AND STUDENTS BY PROVINCE

Province	1336		1337		1338	
	Number of Schools	Number of Students	Number of Schools	Number of Students	Number of Schools	Number of Students
Kabul:						
Boys....	47	38,086	46	45,463	48	44,365
Girls...	14	9,749	14	10,483	15	11,976
Kabul Province:						
Boys....	84		88		104	
Girls...	3		3		6	
Kandahar:						
Boys....	63	8,108	65	8,483	70	8,689
Girls...	1	395	1	489	1	606
Herat:						
Boys....	81	12,039	82	10,202	100	10,484
Girls...	3	1,122	3	1,066	4	1,370
Mazar:						
Boys....	79	11,532	55	9,221	70	9,374
Girls...	1	494	1	60	2	754
Kataghan:						
Boys....	74	11,174	75	12,257	77	13,303
Girls...	3	476	3	555	4	750
Nangarhar:						
Boys....	106	13,378	106	14,878	125	16,753
Girls...	1	65	1	115	1	202
Paktia:						
Boys....	36	5,880	37	6,213	49	7,069
Girls...	-	-	-	-	1	-
Parwan:						
Boys....	72	11,083	70	10,585	78	11,374
Girls...	-	-	1	89	11	602
Ghazni:						
Boys....	30	3,596	30	4,209	46	5,161
Girls...	-	-	1	85	1	88
Girishk:						
Boys....	34	2,610	33	3,087	47	3,617
Girls...	1	19	-	-	1	-
Farah:						
Boys....	35	3,334	36	3,817	45	4,192
Girls...	-	-	1	31	1	51
Maimana:						
Boys....	40	4,837	45	5,372	47	6,022
Girls...	2	147	2	381	5	591
Badakhshan:						
Boys....	43	3,301	45	3,708	58	3,708
Girls...	1	111	-	133	1	133
Shiberghan:						
Boys....	-	-	24	3,548	34	4,184
Girls...	-	-	-	-	3	180
Total boys....	824	128,958	837	141,042	998	148,295
Total girls...	30	12,578	31	13,487	57	17,301
GRAND TOTAL...	854	141,536	868	154,529	1,055	165,596

(-)= nil or negligible. (...) = not available.

Source: Department of Statistics, Ministry of Education.

TABLE - EDUCATION (5)

TEACHERS BY SEX AND PROVINCE

Type of Schools	1336 T	1336 F	1337 T	1337 F	1338 T	1338 F
Kabul:						
Village...	39	3	42	3	62	-
Primary...	621	136	695	152	837	173
Secondary.	-	-	-	-	22	-
Senior High	288	195	305	195	542	204
Vocational	253	-	256	-	269	-
Kandahar:						
Village...	40	-	40	-	46	-
Primary...	146	10	151	-	166	-
Secondary and Senior High.....	16	-	9	14	24	14
Vocational	30	-	21	-	31	-
Herat:						
Village...	38	-	38	-	56	-
Primary...	290	-	325	-	344	19
Secondary and Senior High.....	18	41	22	37	46	24
Vocational	34	-	35	-	32	-
Mazar:						
Village...	46	-	30	-	43	-
Primary...	203	-	154	-	161	5
Secondary and Senior High.....	23	13	23	14	21	11
Vocational	11	-	11	-	8	-
Kataghan:						
Village...	46	-	47	-	60	-
Primary...	168	17	182	18	183	24
Secondary and Senior High.....	51	-	50	-	70	-
Vocational	-	-	-	-	4	-
Nangarhar:						
Village...	57	-	58	-	67	-
Primary...	317	2	311	3	366	4
Secondary and Senior High.....	18	-	20	-	21	-
Vocational	14	-	19	-	21	-
Paktia:						
Village...	12	-	13	-	13	-
Primary...	147	-	143	-	143	-
Secondary and Senior High.....	13	-	15	-	15	-
Vocational	-	-	3	-	3	-
Total of whole country:						
Village Schools...	449	3	464	3	606	3
Primary Schools...	2,438	162	2,555	194	2818	220
Secondary and Senior High Schools	523	244	522	260	872	253
Vocational Schools...	355	-	356	-	381	-
GRAND TOTAL....	4,196	*409	4358	457	4677	476

Type of Schools	1336 T	1336 F	1337 T	1337 F	1338 T	1338 F
Parwan:						
Village....	52	-	50	-	70	-
Primary....	215	-	189	2	192	4
Secondary and Senior High.....	20	-	21	-	37	-
Vocational.	-	-	-	-	-	-
Badakhshan:						
Village....	35	-	37	-	49	-
Primary....	51	7	61	7	61	7
Secondary and Senior High.....	16	-	3	-	13	-
Vocational.	-	-	-	-	-	-
Shiberghan:						
Village....	-	-	16	-	25	-
Primary....	-	-	54	-	60	-
Secondary and Senior High.....	-	-	-	-	-	-
Vocational.	-	-	-	-	-	-
Ghazni:						
Village....	16	-	18	-	30	-
Primary....	85	-	88	1	94	2
Secondary and Senior High.....	21	-	22	-	20	-
Vocational.	-	-	-	-	-	-
Girishk:						
Village....	20	-	21	-	28	-
Primary....	42	-	47	-	39	-
Secondary and Senior High.....	8	-	5	-	8	-
Vocational.	-	-	-	-	-	-
Farah:						
Village....	24	-	25	-	29	-
Primary....	70	-	72	3	77	2
Secondary and Senior High.....	14	-	16	-	12	-
Vocational.	-	-	-	-	-	-
Maimana:						
Village....	24	-	29	-	34	3
Primary....	83	7	83	12	95	4
Secondary and Senior High.....	17	-	11	-	21	8
Vocational.	13	-	11	-	13	-

(-)= nil or negligible. T = Total

(...)= not available. F = Females

*This includes university teachers, foreign teachers and part-time teachers.

Source: Department of Statistics, Ministry of Education.

TABLE - EDUCATION (6)

STATUS OF SCHOOL BUILDINGS IN AFGHANISTAN AT THE END OF 1336(1957/58) AND 1338(1959/60) BY PROVINCE

Provinces	Private Buildings				Governmental Buildings						Total	
	Rented		Donated		Baked Bricks		Mud Bricks		Not built for school purposes		1336	1338
	1336	1338	1336	1338	1336	1338	1336	1338	1336	1338		
High Schools in Kabul.....	1	2	-	-	6	8	-	-	-	1	7	11
Vocational Schools in Kabul...	2	2	-	-	8	6	-	-	-	4	10	12
Women schools in Kabul.....	9	6	-	-	3	1	-	-	-	1	12	8
Primary male schools in Kabul...	12	12	-	-	5	9	-	-	4	1	21	22
Total in centre.	24	24	-	-	22	24	-	-	4	7	50	53
Kabul Provinces.	20	23	-	2	17	22	6	-	1	1	44	48
Kandahar.....	8	8	1	3	11	12	1	2	4	3	25	28
Herat.....	16	17	-	2	18	17	9	5	-	3	43	44
Mazar.....			2	2	11	4	3	9	6	6	27	27
Kataghan.....	5	7	5	3	9	19	2	-	10	6	31	35
Nangarhar.....	10	8	19	31	7	8	1	1	12	6	49	54
Paktia.....	9	9	2	3	4	5	-	-	9	7	24	24
Parwan.....	7	8	1	5	5	7	-	1	6	6	19	27
Ghazni.....	5	4	4	4	2	2	2	7	1		14	17
Girishk.....	5	7	1	-	2	4	-	-	4	3	12	14
Farah.....	3	4	5	7	3	5	-	-	-	-	11	16
Maimana.....	4	2	2	3	3	5	6	8	-	-	15	18
Badakhshan.....	1	1	-	1	-	-	7	8	1	-	9	10
Shibergham.....	-	-	2	1	-	-	6	7	-	1	8	9
Total.....	122	132	44	67	114	130	43	48	56	48	381	421

Note: These figures indicate buildings of primary, secondary, high schools and vocational schools (not the village schools).

(-)= nil or negligible. (...)= not available.

Source: Department of Statistics, Ministry of Education.

TABLE - MONEY AND BANKING (1-A)

DA AFGHANISTAN BANK BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

ASSETS		1336		1337
1. Gold		811,673,045.98		828,744,511.86
2. Silver		149,496,998.16		149,496,998.16
3. Cash:		505,180,499.94		1,178,449,912.75
A. In Afghanis			986,966,999.00	
Bank notes	326,007,155.00		175,718,494.00	
Treasury notes	175,718,494.00		15,764,419.75	
Coins	3,454,850.94			761,365,278.43
B. In foreign currency		625,332,307.56	761,365,278.43	
In Banks' till and in foreign banks	625,332,307.56			-
4. Credit accounts with other banks:		-	-	
A. Demand	-		-	-
In Afghanis	-			
In foreign currencies		-	-	
B. Time	-		-	
In Afghanis	-			
In foreign currencies				1,473,838,543.68
5. Loans		1,398,106,325.10	632,539,489.38	
A. In Afghanis	633,657,180.88		309,116,157.26	
Government	300,436,085.39		-	
Government enterprises	-		33,298,700.16	
Mixed enterprises	33,362,511.92		415,850,947.45	
Municipalities	313,715,198.59		47,808,855.58	
Private enterprises	90,216,364.88		33,980,776.58	
Other banks	26,692,003.70		1,243,617.33	
Individuals	-			49,269,718.34
Others		50,708,660.47	49,269,718.34	
B. In foreign currencies	50,691,560.47		-	
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	17,100.00			-
Individuals		-		
6. Investments:				664,928,263.81
A. Securities		663,033,263.81	-	
B. Participations:			-	
In Afghanis	-			
Government enterprises	377,988,088.81		418,833,853.81	
Mixed enterprises	40,545,175.00		246,[illegible],000.00	
Private enterprises	244,500,000.00			1,045,440.00
Other banks		1,045,440.00	-	
In foreign currencies	-		1,045,440.00	
Government enterprises	1,045,440.00		-	
Mixed enterprises	-		-	
Private enterprises	-			4,861,851.23
Other banks		4,881,717.49		21.00
7. Buildings		19.00		1,835,332.00
8. Equipment		-		
9. Others				5,113,835,869.28
GRAND TOTAL		4,209,458,277.51		

Source: Research Department, Da Afghanistan Bank.

TABLE - MONEY AND BANKING (1 -B)

DA AFGHANISTAN BANK BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

LIABILITIES	1336		1337	
1. Bank notes issued		2,256,848,110.00		2,875,095,110.00
2. Treasury notes issued		180,000,000.00		180,000,000.00
3. Demand Deposits:		738,918,501.25		788,292,627.75
In Afghanis				
Government	463,155,173.24		360,622,816.54	
Government enterprises	40,646,427.59		151,145,907.49	
Mixed enterprises	-		-	
Private enterprises	88,525,630.17		25,180,527.25	
Other banks	9,274,236.37		73,978,836.92	
Individuals	137,317,033.88		177,364,539.55	
In Foreign currencies		476,482,043.39		491,516,946.69
Government	182,222,295.00		187,555,184.42	
Government enterprises	211,750,694.00		270,415,045.18	
Mixed enterprises	-		-	
Private enterprises	79,392,820.00*		33,546,717.09	
Other banks	-		-	
Individuals	-		-	
4. Time deposits:		110,940,857.64		201,975,216.61
In Afghanis				
Government	33,739,793.68		26,175,421.90	
Government enterprises	37,093,485.08		2,806,076.70	
Mixed enterprises	-		-	
Private enterprises	1,325,478.75		9,299,467.50	
Other banks	5,111,779.04		4,862,676.79	
Individuals	33,670,321.09		158,831,573.72	
In foreign currencies		-		-
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	-		-	
5. Advance and credit:		-		-
In Afghanis				
Government	-		-	
Government enterprises	-		-	
Banks	-		-	
In foreign currencies		-		55,522,466.47
Government	-		-	
Government enterprises	-		-	
Banks(Foreign)	-		55,522,466.47	
6. Capital		240,000,000.00		240,000,000.00
7. Reserves		79,348,821.83		81,909,059.72
8. Undistributed profit		113,609,564.86		113,302,392.19
9. Other liabilities(branches)		13,310,378.54		86,222,049.83
GRAND TOTAL		4,209,458,277.51		5,113,835,869.26

* This total includes that of individuals.

Source: Research Department, Da Afghanistan Bank.

TABLE - MONEY AND BANKING (2 - a)

BANK MILLIE BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

ITEM	1336			1337
1. Cash:				
A. In Afghanis		82,222,696.27		85,134,233.89
Credit balance with Central Bank	16,490,739.76		30,824,958.88	
Bank notes	65,625,716.00		54,001,699.50	
Coins	106,240.51		307,575.51	
B. In foreign currencies		525,480.55		1,387,004.26
With Central Bank	525,480.55		525,480.55	
In Bank's Till	-		861,523.71	
2. Credit Account in other banks:				
A. Demand		412,613.37		355,300.75
In Afghanis	-		-	
In foreign currency	412,613.37		355,300.75	
B. Time		-		
In Afghanis	-		-	
In foreign currency	-		-	
3. Loans:				
A. In Afghanis		242,165,830.43		133,141,730.26
Government	5,370,344.93		1,500,364.37	
Government enterprises	3,161,072.11*		861,337.99	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	233,465,654.86**		95,556,848.64	
Other banks	168,758.53		-	
Individuals	-		35,223,179.26	
B. In foreign currencies		-		6,119,086.91
Government	-		52,461.65	
Government enterprises	-		14,642.73	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		1,002,400.44	
Other banks	-		-	
Individuals	-		5,049,582.09	
4. Investment:				
A. Securities		-		-
B. Participations		575,776,771.96		533,937,585.23
Government enterprises	-		7,092,000.00	
Mixed enterprises	-		5,267,857.62	
Private enterprises	575,776,771.96		497,977,727.61	
Other banks	-		23,600,000.00	
In foreign currencies		-		58,580,311.19
Government enterprises	-		-	
Mixed enterprises	-		-	
Private enterprises	-		58,580,311.19	
Other banks	-		-	
5. Building }				
6. Equipment }		10,202,342.65		10,235,185.62
7. Others		-		83,010,593.77
8. Branches		-		29,009,659.35
GRAND TOTAL		911,305,735.23		940,910,691.23

* This total includes that of Municipalities.

** This total includes that of Individuals.

Source: Research Department, Bank Millie.

TABLE - MONEY AND BANKING (2-B)

BANK MILLIE BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

LIABILITIES	1336		1337	
1. Deposits:				
A. Demand:				
In Afghanis		117,030,298.07		151,866,629.44
Government	669,720.96		725,000.70	
Government enterprises	15,744,206.04		9,168,910.37	
Mixed enterprises	-		12,162,466.17	
Municipalities	-		4,064,656.23	
Private enterprises	98,345,085.97*		32,630,536.58	
Other banks	2,271,285.10		1,854,193.93	
Individuals	-		91,260,865.46	
In foreign currencies		25,348.23		25,348.23
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	25,348.23		25,348.23	
B. Time:				
In Afghanis		7,940,731.80		-
Government	213,286.09		-	
Government enterprises	204,621.81		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	7,522,823.90		-	
In foreign currencies				
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	-		-	
2. Advances and credit to the bank:				
In Afghanis		112,305,605.87		-
Government	1,778,759.98		-	
Government enterprises	76,427.61		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	107,415,918.60*		-	
Da Afghanistan Bank	-		-	
Individuals	-		-	
Other banks	3,034,499.68		-	
In foreign currencies		-		-
3. Capital		500,254,000.00		500,254,000.00
4. Reserves		130,580,164.04		130,591,966.74
5. Net profit (undistributed)		43,169,587.22**		44,987,391.45
6. Other liabilities		-		96,201,168.05
7. Branches		-		16,984,187.32
GRAND TOTAL		911,305,735.23		940,910,691.25

*This total includes that of individuals.

** This item includes a net profit of Af 23,979,661.85 for 1336 and the remainder is the accumulated profit.

Source: Research Department, Bank Millie.

TABLE - MONEY AND BANKING (3 -A)

PASHTANY TEJARATY BANK BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

ASSETS	1336		1337	
1. Cash:				
A. In Afghanis		26,979,165.13		39,576,292.07
Credit with Central Bank	12,065,292.14		4,673,431.67	
Bank notes	14,896,872.00		34,900,000.00	
Coins	17,000.99		2,860.40	
B. In foreign currencies		23,897.00		63,240,245.54
With Central Bank	-		11,932.90	
In other banks	-		63,137,100.54	
In Bank's Till	23,897.00		91,212.10	
2. Credit account in other banks:				
A. Demand		99,017,156.75		6,709,970.36
In Afghanis	2,321,647.96		1,972,339.39	
In foreign currencies	96,695,508.79		4,737,630.97	
B. Time		771,762.97		-
In Afghanis	-		-	
In foreign currencies	771,762.97		-	
3. Loans:				
A. In afghanis		204,380,094.25		224,410,838.65
Government	-		279,660.78	
Government enterprises	7,928,802.45*		6,458,819.41	
Mixed enterprises	-		5,549,127.77	
Municipalities	-		2,897,901.50	
Private enterprises	196,371,291.80**		39,625,621.02	
Other banks	-		-	
Individuals	-		169,600,208.17	
B. In Foreign currencies		5,045,811.78		-
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	5,045,811.78		-	
4. Investment:				
A. Securities		-		-
B. Participation:				
In Afghanis		10,287,822.72		10,687,822.72
Government enterprises	8,412,822.72		400,000.00	
Mixed enterprises	-		-	
Private enterprises	1,875,000.00		10,287,822.72	
Other banks	-		-	
In foreign currencies		-		-
5. Building		8,404,276.29+		200,570.63
6. Equipment		-		2.00
7. Others		-		365,400.73
8. Branches		-		2,123,605.68
GRAND TOTAL		354,829,986.89		347,314,748.38

* This total includes that of Municipalities. **This includes that of individuals.
+ This total includes that of equipment and others.

Source: Research Department, Pashtany Tejaraty Bank.

TABLE - MONEY AND BANKING (3-B)

PASHTANY TEJARATY BANK BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

LIABILITIES	1336		1337	
1. Deposits:				
A. Demand:				
In Afghanis		31,477,777.73		57,220,919.61
Government	-		1,023,103.46	
Government enterprises	3,111,812.21		9,032,156.71	
Mixed enterprises	-		6,038,809.14	
Municipalities	-		118,687.12	
Private enterprises	27,921,648.87*		9,792,283.61	
Other banks	444,316.65		64,970.17	
Individuals	-		31,150,909.40	
In foreign currencies		1,688,784.40		906,869.07
Government	-		5,425.26	
Government enterprises	-		2,762.09	
Mixed enterprises	-		100.00	
Municipalities	-		-	
Private enterprises	-		94,135.73	
Other banks	-		55,764.85	
Individuals	1,688,784.40		748,681.14	
B. Time:				
In Afghanis		45,193,005.42		53,926,793.55
Government	9,401,685.35		19,666,767.62	
Government enterprises	-		6,111,654.90	
Mixed enterprises	-		6,182,666.66	
Other Banks	50,491.66		2,108,822.25	
Municipalities	-		-	
Private enterprises	20,346,738.27		1,585,734.26	
Individuals	15,394,090.14		18,271,147.86	
In foreign currencies		-		-
2. Advance and credit to the Bank:				
In Afghanis		115,216,364.68		74,360,398.90
Government	30,000,000.00		30,000,000.00	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
The Central Bank	85,216,364.68		44,360,398.90	
Other Banks	-		-	
In foreign currencies		-		-
3. Capital		120,326,748.47		130,036,613.03
4. Reserves		5,386,210.54		10,810,341.05
5. Undistributed profit		8,676,083.02		16,318,747.63
6. Other liabilities		16,865,012.63		3,934,065.54
GRAND TOTAL		354,829,986.89		347,314,748.38

* This total includes that of individuals.

Source: Research Department, Pashtany Tejaraty Bank.

TABLE - MONEY AND BANKING(4-A)

CONSTRUCTION AND MORTGAGE BANK BALANCE SHEET IN AFGHANIS

(1957/58 AND 1958/59)

ASSETS	1336		1337	
1. Cash:				
A. In Afghanis		4,030,602.01		4,134,780.63
Credit Balance with Central Bank	4,030,602.01		,134,780.63	
Bank Notes	-		-	
Coins	-		-	
B. In foreign currencies		1,919,013.27		1,916,667.84
With Central Bank	1,919,013.27		1,916,667.84	
In Bank's Till	-		-	
2. Credit Account in other banks:				
A. Demand		409,751.31		316,118.40
In Afghanis	409,751.31		316,118.40	
In foreign currencies	-		-	
B. Time		-		-
In Afghanis	-		-	
In foreign currencies	-		-	
3. Loans		74,362,362.84		65,934,966.23
In Afghanis				
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		4,852,841.88	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		61,082,124.35	
Individuals	74,362,362.84		-	
In foreign currencies		-		-
4. Investment:				
A. Securities		2.214,026.40		2,214,027.40
B. Participations			-	
Government enterprises	-		2,000,000.00	
Mixed enterprises	-		214,027.40	
Private enterprises	2,214,027.40		-	
Other banks	-			
5. Building		12,735,141.70*		12,413,480.51
6. Equipment		-		1.00
7. Others		8,073,671.62		20,249,094.23
GRAND TOTAL		103,744,570.15		107,179,136.24

* This total includes that of equipment.

Source: Research Department, Construction and Mortgage Bank.

TABLE - MONEY AND BANKING (4-B)

CONSTRUCTION AND MORTGAGE BANK BALANCE SHEET IN AFGHANIS

(1957/58 AND 1958/59)

LIABILITIES	1336		1337	
1. Deposits:				
A. Demand:				
In Afghanis				100.00
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	-		100.00	
In foreign currencies		-		-
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	-		-	
B. Time:				
In Afghanis		100.00		-
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	100.00		-	
In foreign currencies		-		-
2. Advance and credit to the Bank:				
In Afghanis		15,902,988.28		8,738,188.73
Government	-		8,738,188.73	
Government enterprises	41,217.47*		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
The Central Bank	-		-	
Other banks	-		-	
Individuals	15,861,770.81		-	
In foreign currencies		-		-
3. Capital		60,965,700.00		60,965,700.00
4. Reserves		23,181,777.65**		13,270,275.04
5. Undistributed profit		3,694,004.22		3,055,566.90
6. Other liabilities		-		21,149,305.57+
GRAND TOTAL		103,744,570.15		107,179,136.24

* This total includes that of Municipalities.

** This item includes: Pension Fund = Af 8,747,177.23 and Contingent Fund= Af 7,863,109.46.

\+ This item is composed of contingent fund= Af 7,863,109.46 and advances and credit to the Bank= Af 13,286,196.11

Source: Research Department, Construction and Mortgage Bank.

TABLE - MONEY AND BANKING (5-A)

AGRICULTURE AND COTTAGE INDUSTRY BANK BALANCE SHEET IN AFGHANIS

(1957/58 AND 1958/59)

Assets	1336		1337	
1. Cash:				
A. In Afghanis		34,475,351.86		33,061,239.99
Credit balance with Central Bank	952,080.40		3,090,619.71	
Bank notes	279,556.00		225,907.95	
Coins	23,015.06		-	
With branches	33,220,700.40		29,744,712.33	
B. In foreign currencies		267,635.01		67,883.73
With Central Bank	267,635.01		67,883.73	
In Bank's Till	-		-	
2. Credit account in other banks:				
A. Demand		917,460.56		150,611.80
In Afghanis	917,460.56		150,611.80	
In foreign currencies	-		-	
B. Time		50,000.00		2,107,353.76
In Afghanis	50,000.00		2,107,353.76	
In foreign currencies	-		-	
3. Loans:				
In Afghanis		38,895,225.07		42,053,874.34
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	628,548.94		9,385,861.48	
Other banks	-		-	
Individuals	38,266,676.13		11,679,164.52	
Sundry debtors	-		20,988,848.54	
In foreign currencies		-		-
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	-		-	
4. Investments:				
A. Securities		-		-
B. Participations:				
In Afghanis		18,439,373.68		20,068,866.73
Government enterprises	-		-	
Mixed enterprises	-		8,814,000.00	
Private enterprises	8,439,373.68		5,254,866.73	
Other banks	-		6,000,000.00	
In foreign currencies		-	-	
5. Building		399,651.77*		668,506.00
6. Equipment		-		1,249,466.81
7. Others		-		-
GRAND TOTAL		93,444,697.95		99,427,803.16

* This total includes that of equipment. (-) = nil or negligible.

Source: Research Department, Agriculture and Cottage Industry Bank.

TABLE - MONEY AND BANKING (5-B)

AGRICULTURE AND COTTAGE INDUSTRY BANK BALANCE SHEET IN AFGHANIS

(1957/58 AND 1958/59)

LIABILITIES	1336		1337	
1. Deposits:				
A. Demand:				
In Afghanis		1,019,575.71		347,988.17
Government	20,770.05		70.05	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	568,050.45		178,502.68	
Other banks	-		-	
Individuals	430,755.21		169,415.44	
In foreign curroncies		-		-
B. Time:				
In Afghanis		2,545,515.54		3,123,148.17
Government	2,046,129.86		1,215,084.90	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	499,385.68		1,908,063.27	
In foreign currencies		-		-
2. Advance and credit to the Bank:				
In Afghanis		-		5,955,295.90
Government	-		104,680.17	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		172,857.09	
The Central Bank	-		5,100,022.50	
Others	-		577,736.14	
In foreign currencies		-		-
3. Capital		85,505,711.54		85,572,860.15
4. Reserves		1,077,513.01		-
5. Undistributed profit		3,094,753.12		4,428,510.77*
6. Other liabilities		201,629.03		-
GRAND TOTAL		93,444,697.95		99,427,803.16

* Undistributed profit carried forward is Af 3,210,692.17 (-)= nil or negligible.

Source: Research Department, Agriculture and Cottage Industry Bank.

TABLE - MONEY AND BANKING (6-A)

INDUSTRIAL CREDIT FUND BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

ASSETS	1336		1337	
1. Cash:				
A. In Afghanis		-		-
Credit balance with Central Bank	-		-	
Bank notes	-		-	
Coins	-		-	
B. In foreign currencies		-		-
With Central Bank	-		-	
In Bank's Till	-		-	
2. Credit account in other banks:				
A. Demand		-		147,254.26
In Afghanis	-		147,254.26	
In foreign currencies	-		-	
B. Time		-		-
In Afghanis	-		-	
In foreign currencies	-		-	
3. Loans:				
A. In Afghanis		-		118,992,874.95
Government	-		-	
Government enterprises	-		5,194,634.36	
Mixed enterprises	-		104,617,834.16	
Municipalities	-		-	
Private enterprises	-		8,272,179.51	
Other banks	-		-	
Individuals	-		908,226.92	
B. In foreign currencies		-		-
4. Investment		-		-
A. Securities	-		-	
B. Participation:				
In Afghanis	-		-	
In foreign currencies	-		-	
5. Building		-		-
6. Equipment		-		1.00
7. Others		-		106,571.51
GRAND TOTAL		-		119,246,701.72

(-)= nil or negligible.

Source: Pashtany Tejaraty Bank.

TABLE - MONEY AND BANKING (6-B)

INDUSTRIAL CREDIT FUND BALANCE SHEET (1957/58 AND 1958/59)

(IN AFGHANIS)

LIABILITIES	1336		1337	
1. Deposits:				
A. Demands.				
In Afghanis		-		1,686,255.18
Government	-		313.50	
Government enterprises	-		82,101. 95	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		1,603,839.73	
Other banks	-		-	
Individuals	-		-	
In foreign currencies		-		-
B. Time:				
In Afghanis		-		1,076,461.43
Government	-		1,076,461.43	
Government enterprises	-		-	
Mixed enterprises	-		-	
Private enterprises	-		-	
Other banks	-		-	
Individuals	-		-	
In foreign currencies		-		-
2. Advance and credit to the Bank:				
In Afghanis		-		-
Government	-		-	
Government enterprises	-		-	
Mixed enterprises	-		-	
Municipalities	-		-	
Private enterprises	-		-	
The Central Bank	-		-	
Other banks	-		-	
In foreign currencies		-		-
3. Capital		-		108,895,000.00
4. Reserves		-		1,069,226.48
5. Undistributed profit		-		6,350,879.77
6. Other liabilities		-		168,878.86
GRAND TOTAL		-		119,246,701.72

(-)= nil or negligible.

Source: Pashtany Tejaraty Bank.

TABLE - MONEY AND BANKING (7)

AGGREGATE POSITION OF ALL BANKS IN MILLIONS OF AFGHANIS (1957/58 AND 1958/59)

	Da Afghanistan Bank		Bank Millie		Pashtany Tejaraty Bank		Agricultural Bank		Construction Bank		Industrial credit Fund		Total	
	1336	1337	1336	1337	1336	1337	1336	1337	1336	1337	1336	1337	1336	1337
ASSETS:														
Gold.....	811.7	828.7	-	-	-	-	-	-	-	-	-	-	811.7	828.7
Silver.....	149.5	149.5	-	-	-	-	-	-	-	-	-	-	149.5	149.5
Foreign Exchange..	625.3	761.4	0.5	1.7	97.5	68.0	0.3	-	1.9	1.9	-	-	725.5	833.5
Total.....	1,586.5	1,739.6	0.5	1.7	97.5	68.0	0.3	-	1.9	1.9	-	-	1,686.7	1,811.2
INVESTMENT														
Loans:														
In local currency.	1,398.1	1,473.8	242.2	133.1	204.3	224.4	38.9	42.0	74.4	65.9	-	118.9	1,957.9	2,058.3
In foreign currency.	50.7	49.3	-	6.1	5.0	-	-	-	-	-	-	-	55.7	55.3
Participations:														
In local currency.	663.0	664.9	575.8	533.9	10.3	10.7	18.4	201.1	2.2	2.2	-	-	1,269.7	1,231.8
In foreign currency.	1.0	1.0	-	58.6	-	-	-	-	-	-	-	-	1.0	59.6
Total.....	2,112.8	2,189.9	818.0	731.7	219.6	235.0	57.3	62.0	76.6	67.9	-	118.9	3,284.3	3,405.0
OTHER ASSETS														
Notes and coins.	505.2	1,278.4	65.7	85.1	14.9	39.6	0.3	3.5	-	4.1	-	-	586.1	1,310.8
Building and equipment.	4.9	[illegible]	10.2	10.2	-	0.2	0.4	1.9	12.7	12.4	-	-	28.2	29.6
Sundry debtors...	-	-	-	-	14.4	2.0	1.9	2.1	4.4	0.3	-	-	20.7	4.5
Others....	-	1.8	17.6	83.0	8.4	0.3	33.2*	-	8.1	20.2	-	-	66.8	105.6
Branches..	-	-	-	29.0	-	2.1	-	29.7	-	-	-	-		60.9
Total.....	510.1	1,185.1	92.9	207.3	37.7	44.2	35.8	37.2	25.2	37.0	-	-	701.7	1,511.4
GRAND TOTAL:	4,209.4	5,113.8	911.4	940.9	354.8	347.3	93.4	99.4	103.7	107.2	-	119.2	5,672.7	6,727.9
LIABILITIES:														
Capital...	240.0	240.0	500.3	500.3	120.3	130.0	85.5	85.6	61.0	60.9	-	108.9	1,007.1	1,125.7
Reserves..	79.3	81.9	130.6	130.6	5.4	10.6	1.1	-	23.2	13.3	-	1.1	239.6	237.5
Demand Deposits:														
In local currency.	738.9	788.3	117.0	151.9	31.5	57.2	1.0	347.9	-	-	-	1.7	888.4	999.4
In foreign currency.	476.5	491.5	-	-	-	0.9	-	-	-	-	-	-	476.5	492.4
Time and saving deposits:														
In local currency.	110.9	201.9	7.9	-	45.2	53.9	2.5	3.1	-	-	-	1.0	166.5	260.1
In foreign currency.	-	-	-	-	1.7**	-	-	-	-	-	-	-	1.7	-
Branches...	13.3	-	-	16.9	-	-	-	-	-	-	-	-	13.3	16.9
Undistributed profit..	113.6	113.3	43.2	45.0	18.7	16.3	3.1	1.2	3.7	3.1	-	6.4	182.3	185.2
Notes issued.....	2,436.8	3,055.0@	-	-	-	-	-	-	-	-	-		2,436.8	3,055.0
Sundry creditors..	-	55.4	112.3	-	115.2	74.4	-	6.0	15.9	8.7	-	-	243.4	144.6
Others.....	-	86.2	-	96.2	16.9	3.9	0.2	3.2	-	21.1	-	0.2	17.1	210.9
GRAND TOTAL:	4,209.3	5,113.8	911.3	940.9	354.9	347.3	93.4	99.4	103.8	107.2	-	119.2	5,672.7	6,727.9

* In branches. ** Some of these are demand deposits. @ This includes Af 460.0 retired notes and Af 180.0 treasury notes.

(-)- nil or negligible.

Source: Research Department, Ministry of Planning.

TABLE .- MONEY AND BANKING (8)*

DEPOSITS IN ALL BANKS IN MILLIONS OF AFGHANIS

1336 AND 1337 (1957/58 AND 1958/59)

	1336		1337	
Demand deposits in local currency		875.8		923.5
Government	463.9		362.4	
Government enterprises	59.4		169.4	
Private enterprises }			69.4	
Individuals }	352.5		299.9	
Mixed enterprises	-		18.2	
Municipalities	-		4.2	
Demand deposits in foreign currencies		261.6		492.4
Government	182.2		18[illegible]	
Government enterprises }			270.4	
Private enterprises }			33.6	
Individuals }	79.4		0.8	
Mixed enterprises	-		-	
Municipalities	-		-	
Time and saving deposits in local currency		161.4		253.1
Government	45.3		48.1	
Government enterprises	37.3		8.9	
Private enterprises }			10.9	
Individuals }	78.8		179.0	
Mixed enterprises	-		6.2	
Municipalities	-		-	
Time and saving deposits in foreign currencies		0.9		-
GRAND TOTAL		1,299.7		1,669.0

* Does not include inter-bank deposits. (-)- nil or negligible.

Source: Research Department, Ministry of Planning.

TABLE - MONEY AND BANKING (9)

BANK CREDIT TO THE PRIVATE SECTOR

1336 AND 1338 (1957/ 58 AND 1958/59)

IN MILLIONS OF AFGHANIS

	1336	1337
1. Government enterprises		
a. Loans.....	344.9*	321.6
b. Participations.....	8.4**	7.5
	353.3	329.1
2. Municipalities		
a. Loans.....	-	41.0
b. Participations.....	-	-
	-	41.0
3. Mixed enterprises		
a. Loans.....	754.4+	110.2
b. Participations.....	1,262.3++	17.1
	2,016.7	127.3
4. Private enterprises		
a. Loans.....	-	570.9
b. Participations.....	-	990.8
	-	1,561.8
5. Individuals		
a. Loans.....	134.1	338.5
6. Banks		
b. Participations.....	-	275.9
TOTAL:		
All loans.....	1,233.4	1,382.3
All participations.....	1,270.7	1,291.5
Grand Total.....	2,504.1	2,673.8

* This includes loans of Municipalities. ** This includes participations of Municipalities.

\+ This includes loans of Private Enterprises.

++This includes participations of Private Enterprises.

(-)= nil or negligible. Source: Research Department, Ministry of Planning.

TABLE - MONEY AND BANKING (10)

AGGREGATE NET FOREIGN EXCHANGE HOLDINGS OF ALL BANKS

(IN MILLIONS OF AFGHANIS)

	1336	1337	Change
Da Afghanistan Bank			
Gold.....	811.7	828.7	17.0
Silver.....	149.5	149.5	...
Foreign exchange holdings(net) of the bank.....	625.3	705.9	80.6
Total.....	1,586.5	1,684.1	97.6
Bank Millie (foreign exchange)			
Bank's Till.....	-	0.9	0.9
Credit account in other banks..	0.4	0.4	- 0.06
Total.....	0.4	1.3	0.8
Pashtany Tejaraty Bank (foreign exchange)			
In Bank's Till.....	-	-	-
In other banks.....	96.7	60.1	-33.6
Credit account in other banks.....	0.7	4.7	4.0
Total.....	97.4	64.8	-29.6
GRAND TOTAL.....	1,684.4	1,753.3	68.9

(-)= nil or negligible.

Source: Research Department, Ministry of Planning.

TABLE - MONEY AND BANKING (11)

GOVERNMENT POSITION WITH BANKS IN MILLIONS OF AFGHANIS

1336 AND 1337 (1957/58 AND 1958/59)

	Da Afghanistan Bank		Bank Millie		Pashtany Tejaraty Bank		Construction Bank		Agricultural Bank		Industrial Credit Fund		All Banks	
	1336	1337	1336	1337	1336	1337	1336	1337	1336	1337	1336	1337	1336	1337
Demand Deposits														
1. In local currency...	463.2	360.6	0.7	0.7	-	1.0	-	-	-	-	-	-	463.9	362.3
2. In foreign currency.	182.2	187.5	-	-	-	-	-	-	-	-	-	-	182.2	187.5
	645.4	548.1	0.7	0.7	-	1.0	-	-	-	-	-	-	646.1	549.8
Time and Saving Deposits														
1. In local currency...	33.7	26.1	0.2	-	9.4	19.6	-	-	2.0	1.2	-	1.0	45.3	47.9
2. In foreign currency.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	33.7	26.1	0.2	-	9.4	19.6	-	-	2.0	1.2	-	1.0	45.3	47.9
Credits extended by Government	-	-	1.8	-	30.0	30.0	-	8.7	-	0.1	-	-	31.8	38.8
Total credit position..														
Loans to Government:														
1. In local currency...	633.7	632.5	5.4	1.5	-	0.3	-	-	-	-	-	-	639.1	634.3
2. In foreign currency.	50.7	49.2	-	-	-	-	-	-	-	-	-	-	50.7	49.2
Total loans.....	684.4	681.7	5.4	1.5	-	0.3	-	-	-	-	-	-	689.8	683.5
Net position: surplus or deficit.....	- 5.3	-107.4	-2.7	-0.9	39.4	50.4	-	8.7	2.0	1.3	-	1.1	33.4	-46.7

(-) = nil or negligible

Source: Research Department, Ministry of Planning.

MONEY AND BANKING(12)

MONTHLY RETAIL PRICES OF CONSUMER GOODS IN KABUL

(1332 - - - - - 1338)

(1332 - 100)

Years		1332		1333		1334		1335		1336		1337		1338	
No:	Commodity	Prices	Index	Prices	Index	Prices	Index	Prices	Index	Prices	Index	Prices	Index	Prices	Index
1.	Wheat	23.83	100	18.17	76	18.43	77	24.71	104	30.75	129	25.50	107	27.80	117
2.	Corn	22.45	100	13.46	60	13.33	59	17.75	76	25.67	114	17.79	79	19.58	87
3.	Barley	14.98	100	11.88	97	11.66	78	16.22	113	18.71	125	15.28	102	18.77	125
4.	Rice(long grain)	38.50	100	33.52	92	34.83	90	38.25	100	50.73	132	48.45	126	56.63	147
5.	Rice(short ")	37.85	100	34.10	90	32.77	87	36.17	95	48.19	127	44.50	118	43.54	115
6.	Mutton	78.67	100	72.00	96	79.50	101	88.17	118	104.67	140	116.41	156	109.33	146
7.	Butter(boiled)	180.83	100	179.08	99	213.96	118	242.33	138	322.21	178	278.25	154	298.50	165
8.	Onions	10.35	100	6.23	60	8.22	86	7.75	75	9.69	94	10.91	105	12.45	120
9.	Raisins(Red)	34.71	100	26.42	76	39.46	114	43.46	125	52.13	150	48.00	138	59.37	171
10.	Tea (black)	212.52	100	370.00	174	491.33	231	469.00	221	481.99	227	477.00	224	461.28	217
11.	Sugar	81.50	100	81.86	100	75.57	93	71.52	88	76.14	93	80.00	98	80.00	98
12.	Tobacco *	58.[illegible]	100	49.92	85	61.69	106	68.46	117	67.54	115	60.04	108	75.67	129
13.	Kerosene	48.00	100	48.[illegible]2	101	55.97	117	72.33	151	75.67	158	71.83	150	62.58	130
14.	Wood	4.23	100	4.40	104	4.15	98	6.25	148	6.70	156	69.00	163	7.12	168
15.	Charcoal	9.30	100	9.38	101	9.35	101	10.85	117	13.80	144	12.96	139	14.25	153
16.	Soap	62.67	100	64.00	102	84.16	134	71.80	115	80.36	128	119.03	190	128.50	205
17.	Bleached Calico**	12.35	100	12.55	101	12.35	100	12.54	101	9.59	78	14.34	116	13.83	112
18.	Unbleached Calico **	8.72	100	7.37	85	18.08	93	8.41	96	7.65	88	12.55	144	7.98	92
19.	Red cloth ***	11.50	100	12.27	107	12.27	107	12.25	106	12.17	106	12.88	112	12.60	110
20.	Muslin ****	9.40	100	9.65	103	11.40	121	11.17	119	9.83	105	11.00	117	12.02	128

The unit is a 'seer' (16 pounds) for all commodities except cloth (meter).

* Sana Sufi. **Yard. *** Meter. **** Muslin

Source: Research Department, Da Afghanistan Bank.

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TABLE- MONEY AND BANKING (13)

MONTHLY INDEX OF RETAIL PRICES OF CERTAIN CONSUMER GOODS IN KABUL

(1337 - 1338) (1957 - 1958)

(1332 = 100)

NO: COMMODITY MONTHS	HAMAL		BOWR		JOWZA		SARATAN		ASSAD		SUNBULA		MIZAN		AKRAB		QAWS		JADI		DALWA		HOOT	
	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338	1337	1338
1. Wheat	115	109	107	124	107	152	109	126	105	117	103	107	107	107	107	113	105	116	105	115	107	119	109	115
2. Corn	85	80	77	88	78	96	67	94	73	89	73	89	76	82	76	85	78	94	82-	82	80	84	80	85
3. Barley	103	110	93	115	97	127	95	123	88	113	90	103	100	123	110	137	110	140	110	137	107	140	110	134
4. Rice(long grain)	116	130	110	139	122	144	117	143	136	143	130	140	123	145	130	166	130	170	130	168	130	164	143	166
5. Rice(short ")	123	123	112	115	119	118	132	118	135	145	137	122	127	115	111	103	107	106	106	106	111	106	122	106
6. Mutton	193	198	182	172	166	166	161	139	145	129	134	129	131	129	129	129	134	129	145	129	166	145	182	166
7. Butter(boile.)	177	164	166	173	149	164	152	159	155	157	154	150	155	154	148	157	138	162	141	171	149	180	160	195
8. Tea	215	241	684	241	192	241	226	233	226	226	241	226	241	211	241	203	241	196	244	196	244	196	244	196
9. Sugar	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98
10. Onion	[illegible]	[illegible]	242	174	155	116	82	77	68	-	68	68	68	58	58	87	63	116	72	116	101	193	155	219
11. Raisins	150	184	115	196	127	207	138	179	138	173	161	161	138	173	150	196	144	219	138	161	115	186	144	138
12. Tobacco	[illegible]	109	77	109	85	109	82	130	98	137	109	137	109	137	116	137	123	137	130	137	137	137	137	137
13. Kerosene	167	150	150	133	133	133	133	133	141	133	96	133	133	124	150	117	150	117	167	131	167	129	167	131
14. Wood	189	160	189	154	177	154	165	154	154	154	148	154	154	154	154	154	154	189	154	201	160	201	160	201
15. Charcoal	124	145	129	145	129	151	134	140	140	151	134	151	134	151	145	151	151	151	151	161	151	172	151	172
16. Soap	153	205	205	205	144	205	154	205	154	205	186	205	205	205	205	205	252	218	218	205	231	205	231	201
17. Bleached Calico	117	103	111	95	113	105	113	121	109	121	105	117	103	117	105	117	113	121	126	121	138	121	138	81
18. Unbleached Calico	97	97	97	92	97	89	97	89	97	89	97	89	97	90	97	95	97	92	97	92	97	93	97	92
19. Red Cloth	104	113	96	115	104	122	104	115	109	113	117	109	111	104	113	100	115	104	122	100	122	107	122	113
20. Muslin.	133	108	112	109	106	114	138	117	128	117	117	130	117	138	117	138	117	144	106	139	106	138	108	144
Total	2633	2780	2652	2798	2492	2782	2505	2693	2497	2541	2498	2618	2527	2615	2560	2680	2573	2819	2642	2766	2717	2914	2856	2830
Average	132	139	133	140	125	139	125	135	125	134	125	131	126	131	128	134	129	141	132	138	136	146	143	142

Source: Research Department, Da Afghanistan Bank.

PAPER MONEY AND BANKING (14)

MONTHLY RETAIL PRICES OF CONSUMER GOODS IN KABUL

IN 1338 (March 1959 to March 1960)

Commodities / Months	Hamal	Sour	Jowza	Saratan	Assad	Sambola	Mizan	Akrab	Qous	Jady	Dalwa	Hoot
1.Wheat	26.00	29.50	31.50	30.00	28.00	25.00	25.50	27.00	27.75	27.50	28.25	27.50
2.Wheat flour(i)	33.00	34.12	36.75	35.25	34.00	34.25	33.00	33.00	32.50	32.00	32.12	32.00
3.Wheat flour(ii)	30.00	31.50	34.00	33.00	32.00	29.75	29.00	29.75	30.50	30.50	30.00	30.00
4.Corn	18.00	19.75	21.50	21.00	20.00	20.00	18.50	19.00	21.00	18.50	18.75	19.00
5.Barley	16.50	17.25	19.00	18.50	17.00	15.50	18.50	20.50	21.10	20.50	21.00	20.00
6.Rice(long)	50.00	53.50	55.50	55.00	55.00	54.00	56.00	64.00	65.50	64.00	63.00	64.00
7.Rice (short)	46.50	43.50	44.50	44.50	55.00	46.00	43.50	39.00	40.00	40.00	40.00	40.00
8.Mutton	148.00	128.00	124.00	104.00	96.00	96.00	96.00	96.00	96.00	96.00	108.00	124.00
9.Beaf	100.00	84.00	80.00	74.00	64.00	64.00	64.00	64.00	64.00	64.00	76.00	80.00
10.Milk	36.00	32.00	32.00	28.00	28.00	26.00	32.00	28.00	32.00	28.00	24.00	31.00
11.Butter(fresh)	24.00	23.50	24.00	21.50	22.00	21.00	23.00	24.00	24.00	26.00	28.00	25.50
12.Butter (boiled)	295.00	312.50	295.00	287.50	282.50	270.00	277.50	282.50	292.50	310.00	325.50	352.50
13.Cheese	9.00	6.00	6.00	6.00	6.00	8.50	9.00	10.00	9.00	8.00	7.87	7.25
14.Eggs	85.00	72.00	69.00	70.00	69.00	71.50	80.00	80.00	80.00	97.50	99.57	91.50
15.Potatoes	8.50	7.50	7.25	8.50	8.00	7.50	6.50	9.00	13.00	15.00	21.00	18.00
16.Onions	16.00	15.00	12.00	8.00	...	7.00	6.00	5.00	12.00	12.00	20.00	24.00
17.Spinach	12.00	10.00	11.00	17.00	15.00	...	11.00	11.00	13.00	21.00	20.00	14.00
18.Carrots	10.00	13.00	...	22.00	...	7.50	11.00	12.00	15.00	15.00	19.00	15.00
19.Turnips	3.00	...	...	...	9.00	...	...	5.00	6.00	6.00	4.00	5.00
20.Eggplant	...	...	32.00	20.00	16.00	4.25	6.00	14.00	...	...	...	...
21.Tomatoes	...	...	68.00	24.00	28.00	9.00	12.00	24.00	32.00	...	...	...
22.Apples	96.00	...	68.00	48.00	36.00	32.00	52.00	72.00	80.00	80.00	105.00	96.00
23.Grapes	...	...	...	52.00	28.00	18.00	36.00	52.00	48.00	56.00	...	85.00
24.Pomegranates	40.00	57.00	....	...	...	16.00	20.00	36.00	32.00	36.00	32.00	48.00
25.Pears	80.00	...	...	...	40.00	32.00	60.00	60.00	62.00	75.00	75.00	96.00
26.Melons	...	...	...	20.00	18.00	14.00	17.00	17.00	24.00	...	...	...
27.Water Melons	...	...	...	14.00	12.00	8.00	9.00	1 .00	12.00	...	...	...
28.Apricots(fresh)	...	...	56.00	28.50	20.00	-	...	...	...	...	...	...
29.Apricots(dried)	68.00	72.00	64.00	56.00	52.00	56.00	60.00	64.00	64.00	64.00	54.00	48.00
30.Raisins (red)	56.00	64.00	72.00	60.00	56.00	52.00	48.00	64.00	72.00	56.00	64.50	48.00
31.Raisins (green)	64.00	68.00	72.00	62.00	60.00	56.00	60.00	68.00	76.00	72.00	80.50	6 .00
32.Nuts	60.00	60.00	56.00	56.00	56.00	56.00	52.00	48.00	48.00	...	...	41.00
33.Walnuts	160.00	160.00	160.00	160.00	160.00	150.00	134.00	160.00	192.00	160.0	160.00	192.00
34.Almonds	264.00	254.00	240.00	224.00	208.00	200.00	164.00	208.50	256.00	224.00	208.00	144.00
35.Pistachios	224.00	220.00	216.00	224.00	224.00	240.00	230.00	514.00	530.00	576.00	576.00	576.00
36.Tea (green)	40.00	40.00	40.00	37.00	36.00	36.00	33.00	30.00	31.00	30.00	24.75	28.00
37.Tea (black)	32.00	32.00	32.00	31.00	30.00	30.00	28.00	26.00	27.00	26.00	26.00	28.00
38.Sugar	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00
39.Salt	12.00	12.00	12.00	12.00	12.00	12.00	13.00	14.00	14.00	14.00	12.75	13.29
40.Tobacco	64.00	64.00	64.00	76.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00
41.Kerosene	72.00	64.00	64.00	64.00	64.00	64.00	59.00	56.00	56.00	63.00	62.00	63.00
42.Wood	6.75	6.50	6.14	6.50	6.50	6.50	6.50	6.50	8.00	8.50	8.50	8.50
43.Charcoal	13.50	13.50	14.00	13.00	14.00	14.00	14.00	14.00	14.00	15.00	16.00	16.00
44.Soaps	128.00	128.00	128.00	128.00	128.00	128.00	128.00	128.00	136.00	128.00	128.00	126.00
45.Gasoline	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
46.Electricity	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
47.Bleached calico	12.75	11.75	13.00	15.00	15.00	14.50	14.50	14.50	15.0	15.00	15.00	10.00
48.Unbleached calico	8.50	8.00	7.75	7.75	7.75	7.75	7.87	8.25	8.00	8.00	8.13	8.00
49.Red cloth	13.00	13.25	14.00	13.25	13.00	12.50	12.00	11.50	12.00	12.50	12.25	13.00
50.Muslin	10.00	10.25	10.75	11.00	11.00	12.25	13.00	13.00	13.50	13.00	13.00	13.50
51.Raw cotton	120.00	120.00	120.00	140.00	145.00	145.00	140.00	137.50	135.00	127.50	127.50	120.00
52.Cotton	20.00	23.00	24.00	22.50	22.00	22.00	22.00	22.00	22.50	23.00	24.00	25.50
53.Printed calico	9.50	10.50	11.00	11.00	11.00	11.00	10.00	8.75	9.25	8.75	8.50	9.50

The Units of all commodities are Seer (16 lbs) except

(1) choose and tea which are in lbs

(2) water melons which are in number

(3) electricity which is in kw

(4) cloth which is in meter

(5) and eggs which are in hundred.

TABLE - MONEY AND BANKING (154A)

WHOLESALE PRICES OF AFGHAN EXPORT COMMODITIES IN DIFFERENT FOREIGN MARKETS

1338 - (1959-1960)

PARACHINAR

NO	COMMODITY	HAMAL	SAUR	JAWZA	SARATAN	ASSAD	SUNBULA	MIZAN	AKRAB	QAWS	JADY	DALWA	HOOT
1.	Red Raisins	37.80	37.80	37.80	37.80	40.00	50.00	37.80	37.80	37.80	37.80	40.00	37.80
2.	Green Raisins	75.00	57.80	55.00	55.00	57.80	52.80	55.00	57.80	54.00	50.00	52.00	57.80
3.	Hard Almonds	75.00	80.00	80.00	102.80	90.00	120.00	120.00	130.00	115.00	95.00	100.00	120.00
4.	Pistachios	190.00	190.00	180.00	225.00	290.00	250.00	250.00	275.00	300.00	320.00	290.00	350.00
5.	Walnuts	350.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
6.	Pine nuts	85.00	80.00	82.80	80.00	80.00	77.80	77.80	80.00	80.00	80.00	95.00	80.00
7.	Dried sour plums	60.00	57.80	55.00	57.80	60.00	57.80	60.00	60.00	52.80	50.00	52.80	52.80
8.	Goat wool	75.00	120.00	140.00	130.00	110.00	105.00	115.00	120.00	110.00	105.00	105.00	112.80
9.	Sheep wool	85.00	110.00	142.80	125.00	125.00	120.00	135.00	117.80	108.80	105.00	105.00	97.80
10.	Cow Hides	87.80	95.00	70.00	95.00	125.00	115.00	127.80	110.00	120.00	155.00	140.00	122.80
11.	Goat skin*	45.00	47.80	52.80	55.00	65.00	60.00	50.00	62.80	70.00	58.12	71.40	80.00
12.	Sheep skin	50.00	52.80	56.00	55.00	70.00	61.00	52.80	63.80	67.80	58.12	71.40	85.00

The unit of weight of all prices is Pak.Mond (80 lbs) unless stated and the unit of currency is Pak.Rupees.

* : Unit of measurement is Saree = 20 skins.

CHAMAN

1.	Green Raisins	90.00	75.00	71.10	60.00	55.00	80.00	52.80	51.00	55.00	52.00	50.00	55.00
2.	Red Raisins	27.80	30.00	30.80	25.00	25.00	31.80	27.80	30.00	35.00	35.00	[illegible]	32.00
3.	Black Raisins	71.00	70.00	66.40	67.80	67.80	53.80	47.80	53.80	51.00	48.00	43.80	45.00
4.	Large Green Raisins	40.00	47.80	47.80	35.00	35.00	67.80	47.80	46.80	45.00	46.00	47.80	50.80
5.	Large Red Raisins	37.80	40.00	35.00	32.50	35.00	...	40.00	35.00	40.00	40.00	...	[illegible]
6.	New dried apricots (shakar para)	50.00	65.00	55.00	58.80	50.00	53.80	50.00	50.00	46.00	47.00	45.80	51.80
7.	Old dried apricots (shakar para)	27.80	32.80	53.50	25.00	25.00	45.00	27.80	25.00	25.00	[illegible]	...	[illegible]
8.	Black Plums	40.00	40.00	40.00	40.00	40.00	...	40.00	40.00	40.00	[illegible]	40.00	40.00
9.	Figs (old)	22.80	30.00	30.80	20.00	20.00	31.00	20.00	20.00	20.00	20.00	...	17.70
10.	Figs (lady)	43.80	35.00	30.00	32.80	35.00	45.00	35.00	41.00	42.80	40.00	[illegible]	[illegible]
11.	Green (ish-mish)	...	...	...	10.00	13.80	13.80	12.80	...	...	...	...	...
12.	Green Black*	...	...	15.00	9.00	14.00	...	...	...	...	...	...	...
13.	Green (Kowchi)*	...	...	...	12.00	15.00	15.00	...	...	...	...	...	...
14.	Grapes (with)	...	...	...	...	11.00	12.80	10.00	15.00	...	...	...	...
15.	Apples*	...	...	10.00	10.00	9.00	10.00	9.00	10.00	...	...	...	...
16.	Peaches*	...	...	...	8.00	9.00	8.00	7.00	...	...	...	...	...
17.	Melons	...	40.00	...	...	32.80	40.00	25.00	...	30.00	...	...	...
18.	Burrys	...	...	...	35.00	85.00	90.00	55.00	80.00	140.00	170.00	...	...
19.	Nuts	...	...	...	...	...	10.00	8.00	11.00	14.00	15.00	...	...
20.	Pomegranates*	...	...	...	...	...	...	...	...	...	...	...	...
21.	Apricots*	...	19.00	7.00	5.00	...	...	...	...	...	...	...	...
22.	Melons	...	...	...	15.00	12.00	12.00	12.00	...	...	...	...	...
23.	Water melons	...	...	...	10.00	5.00	5.00	5.00	...	...	...	...	304.80
24.	Pistachios	110.00	105.00	120.00	110.00	130.00	120.00	130.00	130.00	...	...	...	610.00
25.	Pistachios (shelled)	...	...	...	...	...	240.00	...	...	...	...	...	120.00
26.	Almonds(soft)	115.00	120.00	115.00	120.00	105.00	112.80	115.00	117.80	110.00	105.00	...	65.00
27.	Almonds(hard)	69.00	62.00	60.80	50.00	62.80	63.80	65.00	63.80	62.80	60.00	62.80	55.00
28.	Dried sour plums	50.00	62.80	50.12	40.00	48.80	47.80	60.00	50.00	57.80	57.80	55.80	[illegible]
29.	Caraway seeds (white)	117.80	115.00	97.80	88.80	95.00	110.00	120.00	127.80	70.00	95.00	92.80	[illegible]
30.	Caraway seeds (black)	122.80	120.00	90.00	125.00	120.00	135.00	112.80	97.80	95.00	200.00	180.00	152.80
31.	Caraway seeds (green)	150.00	150.00	132.80	150.00	145.00	160.00	150.00	185.00	140.00	155.00	...	200.00
32.	Poppy seeds	45.00	40.00	38.00	45.00	43.80	42.00	42.00	56.80	55.80	53.80	...	[illegible]
33.	Jujub	60.00	55.00	46.40	35.00	45.00	55.10	40.00	36.80	[illegible]	75.00	70.00	47.70
34.	Alemart	...	...	...	35.00	42.80	40.00	45.00	42.80	42.80	45.00	...	[illegible]
35.	Ajawan	...	...	...	45.00	45.00	48.80	50.00	37.80	47.80	50.00	...	[illegible]
36.	Aniseed	...	...	...	85.00	102.80	115.00	115.00	70.00	72.80	[illegible]	65.00	[illegible]
37.	Carrionder	...	...	...	45.00	45.00	43.80	45.00	45.00	30.00	40.00	51.00	[illegible]
38.	Onion seeds	...	...	...	40.00	65.00	65.00	42.00	57.80	50.00	[illegible]	...	[illegible]
39.	Ribgrass	...	...	...	...	40.00	...	40.00	...	37.80	35.00	...	37.80

(Contd.)

TABLE - MONEY AND BANKING (US=$)(CONTD)

CHAMAN

NO:	COMMODITY	HAMAL	SAUR	JAWZA	SARATAN	ASSAD	SUNBULA	MIZAN	AKRAB	QAWS	JADY	DALWA	HOOT
39.	Glycyrrhiza	18.00	16.80	19.12	16.80	18.00	20.00	18.00	18.80	20.00	20.00	21.00	18.00
40.	Sheerkhisht*	33.80	35.00	35.00	35.00	35.00	30.00	...	30.00	35.00	36.00	...	35.00
41.	Pulses	35.00	30.00	30.80	27.80	25.00	25.80	25.00	25.00	25.00	26.80	25.00	28.80
42.	Alfalfa seeds	45.00	40.00	35.00	42.80	50.00	67.80	65.00	64.00	63.00	60.00	55.00	65.00
43.	Trefoil seeds	30.00	30.00	30.00	30.00	35.00	57.80	40.00	40.00	40.00	40.00	...	42.80
44.	Tobacco	60.00	...	55.00	35.00	30.00	...	30.00	35.00	30.00	30.00	...	32.80
45.	Kerrot	40.00	40.00	40.00	41.00	42.80	40.00	40.00	40.00	60.00	80.00	...	47.80
46.	Vangure **	1.10	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	...	1.40
47.	Wool	90.00	85.00	82.80	93.80	95.00	75.00	95.00	96.80	91.00	92.80	92.80	92.80
48.	Carpets (Torkman)	...	8.00	8.00	8.00	10.00	...	...	...	...	...	...	...
49.	Carpets(Herat)	...	5.00	5.00	5.00	...	...	...	...	...	...	...	...
50.	Small carpets (Torkman)	...	...	8.00	8.00	....	...	...	...	...	...	...	...
51.	Small carpets (Herati)	...	...	5.00	5.00	...	...	...	...	...	...	...	...
52.	Sheep skins	...	...	...	...	5.00	...	...	...	...	...	...	6.00
53.	Goat skins	....	...	...	...	3.00	...	...	...	...	...	...	4.00

The unit of currency is Pak.Rupees and the unit of weight for all prices is Pak Mond (80 lbs)unless otherwise stated.
... = not available
* = Per basket
** = Per seer (16 lbs)

AMRITSAR

1.	Kandahari Green Raisins No.1	...	202.50	170.00	170.00	162.50	147.50	168.75	187.50	228.75	120.00	217.50	197.50
2.	Kandahari Green Raisins No.2	...	176.75	160.00	160.00	155.50	122.50	165.00	136.25	180.75	171.25	171.25	168.75
3.	Kandahari Green Raisins	...	148.00	140.00	143.30	142.50	89.25	122.50	132.50	127.50	127.50	119.25	102.50
4.	Kabuli Green Raisins No.1	...	152.50	139.50	137.70	127.50	98.25	118.25	122.50	121.25	120.00	121.25	103.75
5.	Kabuli Green Raisins No.2	...	140.00	131.75	131.75	115.00	105.00	109.50	118.25	121.25	116.00	116.25	100.00
6.	Red Raisins	...	87.50	81.25	90.00	83.75	48.00	53.75	63.25	63.75	61.50	55.25	52.00
7.	Kandahri Black Raisins	...	108.00	100.00	97.50	91.75	94.25	80.75	91.75	99.25	94.00	88.25	93.25
8.	Large Green Raisins	...	134.25	124.25	117.50	121.25	121.75	127.50	130.00	99.25	135.00	132.25	132.00
9.	Large Red Raisins	...	64.25	70.00	88.75	73.75	63.50	61.00	71.75	101.00	101.75	103.75	100.00
10.	Dried apricots (shakar para)	...	105.00	99.25	94.25	91.00	86.00	84.50	92.00	99.25	95.00	90.50	82.50
11.	Dried apricots (Gholing)	...	57.00	51.75	48.75	63.75	54.00	54.75	63.25	82.50	76.75	75.50	65.00
12.	Dried Figs	...	82.50	71.00	71.75	72.50	77.50	83.00	87.00	91.25	91.00	84.75	79.25
13.	Soft Almonds (Tashkurghani)	...	231.75	234.50	232.50	235.00	202.50	210.00	217.50	233.75	237.50	238.75	233.75
14.	Soft Almonds (Ghorbandi)	...	208.75	208.75	205.00	202.50	188.75	192.50	198.75	208.75	215.00	217.50	205.00
15.	Soft Almonds (Kalati)	...	183.25	188.75	186.25	192.50	162.50	162.50	172.50	194.25	199.25	191.00	193.75
16.	Hard Almonds (Ghorbandi)	...	124.25	121.75	122.50	119.25	116.75	115.75	129.25	139.25	141.00	136.00	136.50
17.	Hard Almonds (Kalati)	...	108.50	105.00	107.50	106.75	103.75	106.00	110.75	115.50	141.00	116.25	121.00
18.	Nuts(shelled)	...	218.75	212.50	215.00	212.50	207.50	212.50	210.00	212.50	212.50	265.00	236.25
19.	Pistachios(shelled)	...	637.50	573.75	555.00	510.00	446.25	632.40	660.00	670.00	694.00	835.00	807.00
20.	Pine nuts	...	...	...	...	...	...	...	225.00	235.00	235.00	220.00	...
21.	Dried sour plums	...	87.50	103.75	121.25	108.75	100.00	76.25	92.50	103.50	102.50	105.00	102.50
22.	Pomegranates (seedless)	...	16.25	18.50	...	19.00	19.00	12.50	14.50	12.75	...	...	...
23.	Pomegranates	...	12.25	13.50	...	...	...	...	12.50	12.50	...	...	...
24.	Badakshi caraway seeds	...	225.00	215.00	220.00	196.25	190.00	190.00	201.25	222.50	225.00	225.00	232.50
25.	Kohistani caraway seeds	...	118.75	126.25	121.25	125.00	113.75	115.00	121.25	145.00	147.50	153.25	160.00
26.	Poppy seeds	...	47.50	47.50	48.75	46.50	46.50	47.75	48.25	47.75	44.50	46.50	44.00
27.	Jujab	...	105.00	115.00	115.00	112.50	113.75	180.75	112.50	127.50	130.00	132.50	127.50
28.	Ratanjoot	...	102.50	...	115.00	112.50	...	...	...	...	...	...	...
29.	Kabuli Glycyrrhiza	...	50.00	52.50	47.50	52.50	47.80	46.25	49.00	52.50	53.25	54.50	55.00
30.	Kandahari Glycyrrhiza	...	37.75	39.25	37.00	33.00	39.25	42.00	45.00	50.25	4[illegible].75	49.25	47.00
31.	Siahbandi Asfoetida	...	176.25	163.75	166.25	165.00	170.00	163.75	171.25	178.75	157.50	156.25	150.00
32.	Angari Asfoetida	...	128.75	127.50	133.75	125.00	132.50	130.00	132.50	137.50	1[illegible].75	126.25	127.50
33.	Hysoop	...	101.75	97.50	97.50	92.50	91.75	95.00	92.50	94.50	92.50	92.50	9[illegible].00
34.	Dried roses	...	122.50	...	127.50	122.00	143.75	170.00	176.25	178.75	132.50	175.00	157.50
35.	Jalalabadi goat skin	...	90.00	102.50	112.50	108.75	105.00	117.50	125.00	129.25	13[illegible].25	132.50	132.50
36.	Goat skins	...	68.75	76.25	80.00	76.25	88.75	83.65	92.75	92.50	82.50	87.50	100.00
37.	Sheep skins	...	75.00	75.00	77.50	77.50	82.50	88.00	95.00	92.50	97.50	106.25	112.50
38.	Carpets(Torkamani)	...	7.25	7.50	7.75	6.75	8.75	7.75	7.50	7.50	...	...	...

(Contd.)

TABLE-MONEY AND BANKING (5-C) (CONTD.)

AMRITSAR

NO:	COMMODITY	HAMAL	SAUR	JAWZA	SARATAN	ASSAD	SUNBULA	MIZAN	AKRAB	[illegible]	JADY	DALW	HOOT
39.	Carpets (Herati)	...	5.25	5.50	6.25	6.00	5.00	5.50	5.50	5.50	...	...	...
40.	Carpets (Howri)	...	22.00	17.75	20.00	21.25	26.25	20.00	17.25	18.50	...	...	...
41.	Small carpets (Torkamani)	...	8.25	10.25	9.50	10.00	10.00	10.00	8.50	8.50	...	...	...
42.	Small carpets (Herati)	...	6.25	6.50	6.50	6.75	6.25	6.00	7.50	7.50	...	...	...
43.	Small carpets (Howri)	...	25.50	23.75	25.50	27.50	27.00	25.00	25.00	25.00	...	...	...

The unit of weight of all prices is Indian Mond (80 lbs) unless otherwise stated and the unit of currency is Indian Rupee.

DELHI

NO:	COMMODITY	HAMAL	SAUR	JAWZA	SARATAN	ASSAD	SUNBULA	MIZAN	AKRAB	[illegible]	JADY	DALW	HOOT
1.	Kandahari Green Raisin No.1	190.00	...	190.00	...	190.00	175.00	162.50	165.00	200.00	200.00	190.00	190.00
2.	Kandahari Green Raisins No.2	155.00	...	152.00	...	155.00	152.50	145.00	137.50	152.50	152.50	152.50	145.00
3.	Kandahari Green Raisins No.3	147.50	...	142.50	...	147.50	142.50	...	...	122.50	122.50	112.50	107.50
4.	Kabuli Green Raisins No.1	138.50	...	132.50	...	132.50	105.00	110.00	112.50	127.50	127.50	157.50	102.50
5.	Green Raisins Jawsree	...	...	...	...	...	...	105.00	106.50	100.00	100.00	98.00	98.00
6.	Red Raisins	81.00	...	85.00	...	87.50	77.50	50.00	50.00	57.50	57.50	51.00	53.00
7.	Kandahari Black Raisins	105.00	...	102.50	...	102.50	100.00	75.00	75.00	98.00	95.00	88.00	98.00
8.	Large Green Raisins	130.00	...	130.00	...	125.00	115.00	125.00	124.00	135.50	137.50	132.50	130.00
9.	Large Red Raisins	70.00	...	70.00	...	70.00	70.00	70.00	70.00	86.50	84.00	84.00	84.00
10.	Dried apricots (shakar para)	105.00	...	107.50	...	92.50	92.50	87.50	83.50	95.50	92.50	90.00	80.00
11.	Dried apricots (Gholing)	60.00	...	60.00	...	52.00	52.50	52.00	55.00	68.00	62.50	60.00	55.00
12.	Irani Almonds (Shelled)	300.00	...	280.00	...	282.50	282.50	272.50	272.50	307.50	307.50	3[illegible].50	345.00
13.	Soft Almonds (Tashkurgani)	210.00	...	210.00	...	224.00	224.00	207.50	207.50	222.50	222.50	222.50	222.50
14.	Soft Almonds (Ghorbandi)	132.50	...	132.50	...	132.50	142.50	142.50	142.50	180.00	180.00	180.00	180.00
15.	Hard Almonds (Ghorbandi)	121.00	...	123.50	...	132.50	132.50	119.00	121.00	136.50	136.50	132.50	136.00
16.	Hard Almonds (Kalati)	109.00	...	111.00	...	113.00	108.50	107.50	106.00	117.00	119.00	119.00	125.00
17.	Hard Almonds (Nawadi)	135.00	...	135.00	...	150.00	150.00	150.00	150.00	170.00	170.00	170.00	170.00
18.	Nuts (shelled)	210.00	...	210.00	...	210.00	210.00	200.00	200.00	200.00	200.00	210.00	210.00
19.	Pistachios (shelled)	380.00	...	460.00	...	675.00	525.00	525.00	575.00	625.00	625.00	765.00	765.00
20.	Pistachios	150.00	...	210.00	...	175.00	157.34	180.00	235.00	285.00	215.00	317.50	311.63
21.	Pine nuts	125.00	...	125.00	...	125.00	125.00	125.00	152.50	202.50	202.50	190.00	190.00
22.	Dried sour plums	75.00	...	75.00	...	75.00	60.00	70.00	70.00	97.50	92.50	92.50	92.50
23.	Caraway seed (Badakshani)	190.00	...	190.00	...	190.00	190.00	190.00	190.00	230.00	230.00	230.00	230.00
24.	Caraway seed (Kohistani)	90.00	...	90.00	...	90.00	90.00	100.00	100.00	125.00	125.00	125.00	125.00
25.	Glycyrrhiza	44.00	...	42.50	...	42.50	42.50	39.00	39.00	50.00	50.00	50.00	50.00
26.	Jujab	90.00	...	110.00	...	110.00	110.00	110.00	110.00	122.50	122.50	122.50	122.50
27.	Asfoetida (Dana)	275.00	...	275.00	...	275.00	275.00	275.00	275.00	275.00	275.00	275.00	275.00
28.	Asfoetida (Marili)	175.00	...	175.00	...	175.00	175.00	175.00	175.00	200.00	200.00	200.00	200.00
29.	Asfoetida (Muskhi)	450.00	...	450.00	...	450.00	450.00	450.00	400.00	400.00	400.00	400.00	400.00
30.	Asfoetida (Jawrus)	625.00	...	625.00	....	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00
31.	Asfoetida (Mizamin)	750.00	...	750.00	...	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00
32.	Asfoetida (Ghalmin)	650.00	...	650.00	...	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00
33.	Asfoetida (Jhamal)	600.00	...	600.00	...	600.00	600.00	600.00	600.00	650.00	650.00	650.00	650.00
34.	Asfoetida (Peer Taqseer)	325.00	...	375.00	...	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00
35.	Asfoetida (Hadda)	950.00	...	950.00	....	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00
36.	Hyssop	100.00	...	100.00	...	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

The unit of weight of all prices is Indian Mond (80 lbs) and the unit of currency is Indian Rupee.

TABLE-MONEY AND PARKINSON'S (CONTD.)

BOMBAY

NO:	COMMODITY	HAMAL	SAUR	JAWZA	SARATAN	ASSAD	SUNBULA	MIZAN	AKRAB	QAUS	JADY	DALI	HOOT
1.	Kandahari Raisins No.1	220.00	220.00	...	...	...	205.00	205.00	...	...	205.00	205.00	...
2.	Kandahari Raisins No.2	182.50	182.50	...	...	...	...	...	...	...	1[illegible].00	12[illegible].00	...
3.	Kandahari Raisins No.1	170.00	170.00	...	...	...	155.00	155.00	...	...	15[illegible].00	1[illegible].00	...
4.	Kandahari Raisins No.2	155.00	155.00	...	...	...	125.00	125.00	...	...	...	...	...
5.	Chalo Raisins	127.50	127.50	...	...	...	...	...	...	...	112.50	11[illegible].50	...
6.	Red Raisins	87.50	87.50	...	...	...	45.00	45.00	...	...	[illegible]	[illegible]	...
7.	Kaladarak	112.50	112.50	...	...	...	83.00	83.00	...	...	87.50	87.[illegible]	...
8.	Appricot	107.50	107.50	...	...	...	82.50	82.50	...	...	87.50	87.50	...
9.	Large Green Raisins.1.	142.50	142.50	...	...	...	...	...	....	...	...	...	...
10.	Large Green Raisins.2.	57.50	57.50	...	...	...	...	...	...	...	...	...	...
11.	Figs	...	...	...	...	...	77.50	77.50	...	...	[illegible]	[illegible]	...
12.	Grapes	...	...	...	...	...	122.50	122.50	...	...	105.00	10[illegible].00	...
13.	Almonds(shelled)	205.00	205.00	...	...	...	255.00	255.00	...	...	305.00	30[illegible].00	...
14.	Almonds (Malati)	112.50	112.50	...	...	...	106.00	106.00	...	...	105.0[illegible]	105.00	...
15.	Kandahari Pistachios (Shelled)	555.00	555.00	...	...	...	610.00	610.00	...	...	...	...	...
16.	Kabuli Pistachios (Shelled)	565.00	565.00	...	...	...	575.00	675.00	...	...	...	...	...
17.	Doodi Pistachios	...	...	...	...	...	250.00	250.00	...	...	...	...	...
18.	Dried sour plums	85.00	85.00	...	...	...	85.00	85.00	...	...	91.00	91.00	...
19.	Caraway seeds	165.00	165.00	...	...	...	...	...	...	...	...	...	...
20.	White caraway seeds	...	...	...	...	...	145.00	145.00	...	...	160.00	160.[illegible]	...
21.	Shali caraway seeds	...	...	...	...	...	365.00	365.00	...	...	282.50	282.50	...

The unit of all prices is Indian Mond (80 lbs) and the unit of currency is Indian Rupee.
... = not available

HAMBURG

1. Cotton goods middling	60.15	60.15	60.15	60.15	60.15	60.15	60.15	66.23	66.23	68.43	...	...
2. Cotton RJ-RBJ	57.39	57.39	57.39	57.39	57.39	59.05	59.05	59.05	59.05	60.43	...	...
3. Cotton MJ-MFJ	57.94	58.50	57.94	57.94	57.94	57.94	57.94	57.94	57.94	58.50	...	...
4. Kandahari Wool(White)	149.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	122.50	...	...
5. Kandahari Wool(cream coloured)	99.33	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.0	72.50	...	...
6. Kandahari Wool (coloured)	88.30	77.50	77.50	77.50	77.50	77.50	77.50	77.50	77.50	56.00	...	...
7. Camel wool(good quality)	70.00	71.00	71.00	71.00	71.00	71.00	71.00	71.00	...	...	...	...
8. Camel wool 4 CM	55.00	63.50	57.50	57.5	63.50	63.50	63.50	63.50	...	...	...	...
9. Camel wool 6 CM	35.00	57.50	59.50	59.5	57.50	57.50	57.50	57.50	...	...	...	...
10. Camel wool	...	...	...	...	...	...	...	...	71.00	72.50	...	...
11. Camel wool (yellow)	...	...	...	...	...	...	...	...	63.50	66.00	...	...
12. Camel wool (brown)	...	...	...	...	...	...	...	...	52.50	57.50	...	...
13. Camel wool(mixed color)	...	59.50	63.50	63.50	62.00	59.50	[illegible].50	59.50	59.50	59.50	...	...
14. Good wool(white)	...	...	...	...	...	...	...	...	...	95.00	...	...
15. Good wool(black)	...	...	...	...	...	...	...	...	...	82.50	...	...
16. Good wool (grey)	...	...	...	...	...	...	...	...	...	72.50	...	...
17. Good wool (mixed color)	...	...	...	...	...	...	...	...	...	51.00	...	...
18. Casings 20/22	40.00	44.00	34.00	34.00	34.00	34.00	40.00	40.00	40.00	57.50	...	...
19. Casings 22/24	50.00	50.00	43.00	43.00	36.00	43.00	...	...	...	47.50	...	...
20. Casings 24/26	61.50	61.50	51.50	51.50	54.00	54.00	55.00	54.00	54.00	57.50	...	...
21. Goat and sheep skins(1)	47.50	47.50	104.86	104.86	104.86	104.86	104.86	104.86	104.86	70.00	...	...
22. Goat and sheep skins(2)	21.14	21.14	46.67	46.67	46.67	46.67	46.67	46.67	46.67	55.00	...	...
23. Carpets*(good quality)	16.50	16.50	16.50	16.50	16.50	16.50	21.50	21.50	21.50	22.50	...	...
24. Carpets*(middle quality)	12.15	12.25	12.15	12.15	13.50	13.50	14.50	15.00	15.00	16.00	...	...
25. Carpets*(low quality)	9.75	9.75	9.00	9.00	9.00	9.00	8.50	11.00	11.00	11.50	...	...
26. Carpets*(Zabirishali)	42.50	45.00	47.50	47.50	...	...	45.00	47.50	47.50	53.50	...	...
27. Carpets (Mowri)	...	...	...	...	47.50	47.50	...	...	...	53.50	...	...

The unit of weight of all prices is Kg. unless otherwise stated and the unit of currency is U.S.cents.
... not available * = sq.meter.

LONDON

1. Carpets (Mowri)	42.00	42.00	47.50	42.50	42.50	42.50	45.00	42.50	...	...	...	...
2. Carpets(Akcha-Andkhoy)	16.00	16.00	19.00	17.00	18.00	17.00	17.00	19.00	...	...	...	...
3. Carpets (good quality)	12.50	12.50	15.00	13.00	14.00	14.00	14.00	15.00	...	...	...	...
4. Carpets (medium quality)	11.00	11.00	12.50	11.00	12.00	11.50	11.50	12.50	...	...	...	...
5. Carpets(Herati) (low quality)	7.00	6.50	8.00	6.50	6.50	7.00	7.00	8.00	...	...	...	...
6. Carpets (Kar keen)	9.00	8.50	10.00	8.50	9.00	9.00	8.00	10.00	...	...	...	...
7. Wool (white)No:1	...	0.41	...	...	...	0.57	...	...	...	...	...	...
8. Wool (white)No:2	0.33	0.29	0.33	0.34	0.34	0.37	0.33	0.3[illegible]	...	...	...	...
9. Wool (yellow)variety	...	0.23	...	...	...	...	...	...	...	...	...	...
10. Wool (grey)	0.23	0.23	0.25	0.28	0.28	0.30	0.25	0.25	...	...	...	...
11. Wool (blueish grey)	...	...	0.30	...	...	...	0.30	0.30	...	...	...	...
12. Wool (light grey)	0.29	...	...	0.33	0.33	0.35	...	...	...	...	...	...
13. Wool (dark grey)	...	0.15	...	...	...	...	...	...	...	...	...	...
14. Wool (black)	0.15	...	0.19	0.18	0.18	0.19	0.19	0.19	...	...	...	...
15. Cotton (unstandard qualities)	0.25	0.25	0.26	0.25	0.25	0.25	0.25	0.26	...	...	...	...
16. Cotton (standard qualities)	0.29	0.29	0.30	0.30	0.30	0.30	0.30	0.30	...	...	...	...

The unit of measurement of all carpets is sq.meter and the weight of all others is lbs and the unit of currency is U.S.Dollars.
... = not available

TABLE - MONEY AND BANKING (15-E) (CONTD.)

PESHAWAR

NO:	COMMODITY	HAMAL	SAUR	JAWZA	SARATAN	ASSAD	SUNBULA	MIZAN	AKRAB	QAWS	JADY	DALW	HOOT
1.	Green Raisins High Quality	...	...	...	...	...	...	...	77.50	...	...	...	70.00
2.	Green Raisins low quality	...	...	...	...	...	...	...	70.00	...	...	...	...
3.	Green Raisins (1)	...	...	...	...	...	...	...	80.00	...	...	...	...
4.	Green Raisins (2)	..	...	...	...	...	...	...	75.00	...	...	...	...
5.	Green Raisins(Teermaiy)	...	...	...	...	...	...	...	70.00	70.00	80.00	70.00	...
6.	Green Raisins(Jawzaee)	...	...	...	...	...	...	...	70.00	63.00	65.00	64.00	65.00
7.	Red Raisins	...	...	...	...	...	...	...	43.00	43.00	46.00	44.00	46.50
8.	Dried Apricots(Shakar para)	...	...	...	...	...	...	...	125.00	40.00	40.00	38.00	40.00
9.	Large Red Raisins	...	...	...	...	...	...	...	40.00	52.00	54.00	54.00	55.00
10.	Dried apricots(Gholang)	...	...	...	...	...	...	...	42.00	45.00	...	...	...
11.	Dried apricots(Ashtaq)	...	...	...	...	...	...	...	43.00	44.00	40.00	41.00	40.00
12.	Dried sour plums	...	...	...	...	...	...	...	60.00	151.00	44.00	44.00	45.00
13.	Walnuts	...	...	...	...	...	...	...	50.00	49.00	45.00	44.00	45.00
14.	Walnuts shelled	...	...	...	...	...	...	...	160.00	181.00	150.00	152.00	150.00
15.	Soft Almonds(Abdul Wahidi)	...	...	...	...	...	...	...	200.00	300.00	300.00	285.00	300.00
16.	Soft Almonds(Tashkurghani)	...	...	...	...	...	...	...	170.00	108.00	181.00	175.00	180.00
17.	Soft Almonds(Ghorbandi)	...	...	...	...	...	...	...	150.00	97.00	150.00	151.00	150.00
18.	Soft Almonds (Kalati)	...	...	...	...	...	...	...	140.00	84.00	109.00	112.00	110.00
19.	Hard Almonds (Nawzadi)	...	...	...	...	...	...	...	90.00	71.00	85.00	85.00	85.00
20.	Hard Almonds (Kalati)	...	...	...	...	...	...	...	90.00	79.00	72.00	72.00	72.00
21..	Pistachios shelled (1)	...	...	...	...	...	...	...	700.00	650.00	649.00	650.00	645.00
22.	Pistachios shelled (2)	...	...	...	...	...	...	...	650.00	620.00	629.00	620.00	620.00
23.	Nuts shelled	...	...	...	...	...	...	...	150.00	150.00	150.00	155.00	160.00
24.	Pine nuts	...	...	...	...	...	...	...	200.00	120.00	115.00	120.00	145.00
25.	Pomegranates	...	...	...	...	...	...	...	65.00	65.00	65.00	60.00	63.00
26.	Pomegranates seedless	...	...	...	...	...	...	...	...	30.00	32.00	32.00	34.00
27.	Grapes Kabuli *	...	...	...	...	...	...	...	15.00	...	...	...	...
28.	Grapes (Ghuladan)*	...	...	...	...	...	...	...	18.00	...	...	...	...
29.	Grapes (Kishmishi)*	...	...	...	...	...	...	...	20.00	...	...	...	...
30.	Grapes (Hussiny)*	...	...	...	...	...	...	...	25.00	...	...	...	...
31.	Grapes Black*	...	...	...	...	...	...	...	23.00	...	...	...	...
32.	Apples *	...	...	...	...	...	...	...	18.00	...	...	...	...
33.	Pears*	...	...	...	...	...	...	...	15.00	...	...	...	...
34.	Melons	...	...	...	...	...	...	...	43.00	...	...	...	...
35.	Water melons	...	...	...	...	...	...	...	40.00	...	...	...	...
36.	Berrys	...	...	...	...	...	...	...	28.00	...	...	...	...
37.	Onions	...	...	...	...	...	...	...	18.00	35.00	35.00	29.00	34.00
38.	Potatoes	...	...	...	...	...	...	...	22.00	36.00	35.00	33.00	33.00
39.	Beans	...	...	...	...	...	...	...	...	6.00	5.50	7.00	7.00
40.	Pulses (Kabuli)	...	...	...	...	...	...	...	...	17.00	17.00	17.00	...
41.	Peas	...	...	...	...	...	...	...	...	25.00	22.00	25.00	25.00
42.	Dried Mushrooms	...	...	...	...	...	...	...	160.00	160.00	160.00	160.00	155.00
43.	Dried curds (kroot)	...	...	...	...	...	...	...	...	30.00	28.00	30.00	35.00
44.	Salt	...	...	...	...	...	...	...	4.0	2.50	2.50	2.50	2.50
45.	Caraway seeds (Badakshani)(1)	....	...	...	...	...	...	...	300.00	230.00	225.00	230.00	235.00
46.	Caraway seeds (Badakshani)(2)	...	...	...	...	...	...	...	200.00	...	...	...	...
47.	Caraway seeds (Badakshani)(3)	...	...	...	...	...	...	...	200.00	...	180.00	180.00	185.00
48.	Caraway seeds(Khanabadi)	...	...	...	...	...	...	...	180.00	160.00	160.00	160.00	165.00
49.	Caraway seeds(white)	...	...	...	...	...	...	...	110.00	...	...	...	...
50.	Caraway seeds (green)	...	...	...	...	...	...	...	100.00	...	...	...	...
51.	Caraway seeds (Kajak)	...	...	...	...	...	...	...	120.00	110.00	115.00	112.50	122.50
52.	Anise	...	...	...	...	...	...	...	160.00	90.00	85.00	90.00	90.00
53.	Ajawan	...	...	...	...	...	...	...	45.00	27.50	26.50	...	27.50
54.	Wild Parsnip (shakakul)	...	...	...	...	...	...	...	20.00	20.00	22.50	20.00	23.50
55.	White Bahman	...	...	...	...	...	...	...	45.00	40.00	41.00	41.00	37.50
56.	Hyssop	...	...	...	...	...	...	...	110.00	125.00	126.00	125.00	115.00
57.	Dried roses	...	...	...	...	...	...	...	30.00	80.00	80.00	80.00	75.00
58.	Jujab	...	...	...	...	...	...	...	18.00	18.00	18.00	19.00	20.00
59.	Ratanjoot	...	...	...	...	...	...	...	20.00	20.00	18.00	20.00	42.50
60.	Glycyrrhiza (Kabuli)	...	...	...	...	...	...	...	25.00	25.00	27.50	20.00	27.50
61.	Glycyrrhiza (Kandahari)	...	...	...	...	...	...	...	30.00	...	...	...	...
62.	Poppy seeds	...	...	...	...	...	...	...	70.00	70.00	72.50	72.50	67.50
63.	Karakul skins (grey No.1)*	...	...	...	...	...	...	...	40.00	45.00	45.00	47.50	45.00
64.	Karakul skins (grey No.2)*	...	...	...	...	...	...	...	30.00	27.50	27.50	27.50	27.50
65.	Karakul skins (Brown No.1)*	...	...	...	...	...	...	...	60.00	80.00	75.00	85.00	75.00
66.	Karakul skins (brown No.2)*	...	...	...	...	...	...	...	40.00	50.00	50.00	45.00	45.00
67.	Karakul skins (black No.1)*	...	...	...	...	...	...	...	30.00	32.50	27.50	30.00	35.00
68.	Karakul skins (black No.2)*	...	...	...	...	...	...	...	25.00	22.50	22.50	22.50	22.50
69.	Karakul skins * (1)	...	...	...	...	...	...	...	...	35.00	35.00	32.50	32.50
70.	Karakul skins * (2)	...	...	...	...	...	...	...	...	25.00	25.00	22.50	22.50
71.	Carpets (Turkamani)**	...	...	...	...	...	...	...	...	5.50	6.50	5.50	5.50
72.	Carpets (Mowri) **	...	...	...	...	...	...	...	...	21.00	...	...	22.50
73.	Carpets (Andkhoy)**	...	...	...	...	...	...	...	...	12.50	12.50	17.50	12.50
74.	Carpets (Double) **	...	...	...	...	...	...	...	...	20.00	20.00	20.00	20.00
75.	Carpets(Daulatabadi)**	...	...	...	...	...	...	...	...	8.00	8.00	8.00	8.00
76.	Small carpets(Turkamani)**	...	...	...	...	...	...	...	...	...	7.00	7.00	7.00
77.	Small carpets(Mowri)**	...	...	...	...	...	...	...	...	40.00	40.00	40.00	40.00
78.	Small carpets (Andkhoi)**	...	...	...	...	...	...	...	...	30.00	30.00	30.00	30.00
79.	Small carpets**	...	...	...	...	...	...	...	...	30.00	30.00	30.00	30.00
80.	Small carpets (Daulatabadi)**	...	...	...	...	...	...	...	...	30.00	20.00	20.00	20.00
81.	Small carpets (Turkamani)**	...	...	...	...	...	...	...	...	60.00	60.00	60.00	60.00
82.	Small carpets (H s rati)**	...	...	...	...	...	...	...	...	50.00	50.00	50.00	50.00

The unit of all prices is Pak Mond (80 lbs) unless otherwise stated and the unit of currency is Pak.Rupee.

* = Per crete ** = per sq.foot

Source: Research Department,
Da Afghanistan Bank.

TABLE - PUBLIC FINANCE (1)

ACTUAL PUBLIC REVENUE IN AFGHANISTAN IN

THOUSANDS OF AFGHANIS

HAMAL-SUNBULA,1336, 1336/37 AND 1337/38(MARCH-SEPTEMBER,1957, 1957/58 AND 1958 / 59)

	Hamal-Sunbula, 1336		1336/37		1337/38	
SOURCES						
100- Direct Taxes		158,397		295,790		266,812
110- Taxes on individual income	109,247		191,860		181,187	
120- Taxes on corporate income			44,044		42,418	
130- Taxes on real property	1,623					
140- Taxes on personal property	47,527		59,886		63,207	
200- Indirect taxes and duties		314,461		857,740		940,586
210- Import duties	277,313		705,531		799,757	
220- Export duties						
230- Taxes on sales of consumer goods	15,678		99,114		117,166	
240- Taxes on commercial transaction	19,443		44,092		53,653	
250- Monopoly materials	2,029		9,003		10,010	
300- Income from sale of property and services		17,620		36,670		56,280
310- Gross sales of natural resources	3,704		8,838		22,330	
320- Gross sales of other property	4,095		7,795		12,235	
330- Gross sales of prison manufactures	-		380		659	
340- Gross sale of printing services and product	610		1,318		1,370	
350- Gross income from postal and telegraph services						
360- Gross income from telephone and radio services	8,788		17,297		19,132	
370- Gross income from public health services	425		1,044		614	
400- Revenue from licenses, fees and fines		25,862		59,204		55,215
410- Income from sale of vehicle licenses	-		-		-	
420- Income from sale of identity documents	295		1,168		900	
430- Income from Notary fees and court charges	11,900		24,209		24,900	
440- Income from fines and penalties	2,073		5,668		785	
450- Income from customs fines and penalties	1,845		4,889		9,405	
460- From other licenses and permits n.e.c.	7,489		10,257		17,259	
470- Income from fees and fines n.e.c.	2,260		13,013		11,958	
500- Income from use of property and money		21,073		55,298		52,901
510- Income from rental of real estate	228		1,147		1,474	
520- Income from rental of other property	-		-		-	
530- Income from interest on bank deposits	76		9,028		485	
540- Income from interest on loans	20,769		45,123		50,942	
550- Income from investment	-		-		-	
590- Other income from the use of property and money						
600- Income from Government enterprises		4,741		67,964		41,905
610- Income from government monopoly operations	2,923		59,121		41,905	
620- Income from general cooperative operations						
630- Income from slaughter house operations						
640- Income from textile plant operations	1,818		8,843		-	
650- Income from utility operations						
690- Income from other Govt. enterprises						
700- Other income		21,484		95,876		49,539
710- Delinquent tax collections	5,066		8,830		9,116	
720- Contributions	254		1,284		1,741	
730- Miscellaneous	16,164		13,855		5,963	
740- Income from new development resources	-		71,909		32,719	
800- Non-income income		271,971		300,043		274,898
810- Refunds of overpayments	2,362		7,910		16,679	
820- Repayment of loans to Govt. employees	17		67		148	
830- Cash repayment of advances	-		-		3,606	
840- Cash treasury bonds and repayment of advances	197,861		258,564		254,465	
850- Profits from revaluation of gold and other assets	71,721		53,502		-	
900- Loans, grants and foreign aid		155,787		248,899		548,642
910- Domestic loans	17,408		14,140		-	
920- Foreign loans	138,379		234,759		484,973	
930- Foreign grants and aid	-		-		63,669	
Grand Totals		991,396		2,017,484		2,296,858

n.e.c.= not elsewhere classified.

Source: Research Department, Ministry of Finance.

TABLE- PUBLIC FINANCE (2)

ESTIMATED PUBLIC REVENUE IN AFGHANISTAN IN THOUSANDS OF AFGHANIS

1336/37, 1337/38 AND 1338/39 (1957 / 58, 1958 /59 AND 1959/60)

	1336/37		1337/38		1338/39	
100- Direct taxes		237,003		244,000		257,000
110- Taxes on individual income	154,000		160,000		160,000	
120- Taxes on corporate income						
130- Taxes on real property	33,003		34,000		40,000	
140- Taxes on personal property	50,000		50,000		57,000	
200- Indirect taxes and duties		694,020		850,830		1,091,000
210- Import duties 220- Export duties	535,000		650,000		885,000	
230- Taxes on sales of consumer goods	93,204		94,000		100,000	
240- Taxes on commercial transactions	32,000		80,000		83,000	
250- Monopoly materials	33,816		26,830		23,000	
300- Income from sale of property and services		36,545		43,900		46,750
310- Gross sales of natural resources	11,058		19,000		15,000	
320- Gross sales of other property	5,933		5,500		10,000	
330- Gross sales of prison manufactures	525		1,000		1,000	
340- Gross sale of printing services and product	793		250		250	
350- Gross income from postal and telegraph services 360- Profits income from telephone and radio services	17,297		17,150		20,000	
370- Gross income from public health services	339		1,000		500	
400- Revenue from licences, fees and fines		40,136		38,600		44,300
410- Income from sale of vehicle licences	1,085		-		-	
420- Income from sale of identity documents	21,469		1,100		800	
430- Income from notary fees and court charges	4,534		21,500		25,000	
440- Income from fines and penalties	1,660		1,000		1,000	
450- Income from customs fines and penalties	9,624		2,000		2,500	
460- Gross other licences and permits,n.e.s.*	1,914		8,000		10,000	
470- Income from fees and fines,n.e.s.	-		5,000		5,000	
500- Income from use of property and money		45,943		53,000		52,750
510- Income from rental of real estate 520- Income from rental of other property	1,015		1,000		1,500	
530- Income from interest on bank deposits	-		-		-	
540- Income from interest on loans	4,928		2,000		250	
550- Income from investment	40,000		50,000		51,000	
600- Income from Government enterprises		74,070		40,500		213,500
610- Income from Government Monopoly Operations	57,070		27,000		37,000	
620- Income from General cooperative operations 630- Income from slaughter house operations 640- Income from textile plant operations 650- Income from utility operations 690- Income from other Government enterprises	17,000		13,500		176,500	
700- Other income		242,089		213,490		211,050
710- Delinquent tax collections	11,051		7,800		10,040	
720- Contributions	873		540		860	
730- Miscellaneous	11,126		10,150		5,150	
740- Income from new development resources	218,039		195,000		195,000	
800- Non-revenue income		223,677		214,600		202,570
810- Refund of overpayments	6,359		6,500		6,000	
820- Repayment of loans to Government employees	38		100		100	
830- Cash repayment of advance	-		8,000		5,000	
840- Cash treasury funds and repayment of advances	163,778		200,000		191,470	
850- Profits from revaluation of gold and assets	53,502		-		-	
900- Loans, grants and foreign aid		519,980		756,192		1,270,000
910- Domestic loans	-		-		-	
920- Foreign loans	519,980		521,192		960,000	
930- Foreign grants and aid	-		235,000		310,000	
GRAND TOTAL		2,113,463		2,455,112		3,388,920

* n.e.s. means 'not elsewhere stated'.

(-)- nil or negligible. (...)- not available.

SOURCE: RESEARCH DEPARTMENT, MINISTRY OF FINANCE.

TABLE - PUBLIC FINANCE (3)

ACTUAL ORDINARY AND DEVELOPMENTAL PUBLIC EXPENDITURES IN THOUSANDS OF AFGHANIS

HAMAL-SUNBULA,1336, 1336/37 AND 1337/38 (MARCH-SEPTEMBER,1957, 1957 / 58 AND 1958 / 59)

	Hamal-Sunbula,1336 (March-Sept. 1957)		1336/37(1957/58)		1337/38(1958/59)	
100- General Government Administration		264,672		86,494		96,230
110- Royal Court Ministry	8,886		16,515		17,189	
120- National Assembly	2,989		6,039		10,124	
130- Senate	245		494		431	
140- Prime Ministry	7,489		11,180		13,060	
150- Finance Ministry	244,416		51,337		45,878	
160- Planning Ministry	647		929		8,748	
200- National Defence and Security		213,862		483,333		[illegible]
210- Foreign Ministry	9,739		19,663		23,512	
220- Defence Ministry	142,876		328,549		415,000	
230- Interior Ministry	38,072		91,123		95,150	
240- Justice Ministry	3,321		5,796		7,402	
250- Tribal Affairs Department	13,065		24,793		37,169	
260- Press Department	6,789		13,409		15,398	
300- Social Services		87,886		175,064		193,394
310- Education Ministry	47,288		101,777		109,110	
320- Health Ministry	18,618		29,903		32,907	
330- Kabul University(including Faculty of Medicine)	13,637		30,048		35,289	
340- Health Institutions	7,922		12,866		15,407	
350- Olympic Department	421		470		681	
400- Public and Economic Services		144,087		386,471		[illegible]
410- Public Works Ministry	125,214		208,993		289,840	
420- Agriculture Ministry	9,426		20,981		35,377	
430- Mines and Industry Ministry	5,719		54,305		63,953	
440- Commerce Ministry	3,728		10,730		22,654	
450- Helmand Valley Authority	-		91,462		70,217	
500- Communication and Transportations		29,352		88,222		102,366
510- Communication Ministry	19,388		40,713		48,800	
520- Transport Department	1,229		1,979		2,216	
530- Civil Aviation	8,735		45,530		51,750	
800- Debts		-		146,520		186,340
810- Payment of principal	-		-		-	
820- Payment of interest	-		146,520		186,340	
900- Others		-		21,813		30,245
910- Govt. contribution to Enterprises	-		21,813		30,245	
GRAND TOTAL		739,859		1,387,917		1,[illegible],757

(-)= nil or negligible. SOURCE: RESEARCH DEPARTMENT, MINISTRY OF FINANCE.

TABLE -PUBLIC FINANCE (4)

ESTIMATED ORDINARY AND DEVELOPMENTAL PUBLIC EXPENDITURES IN THOUSANDS OF AFGHANIS

1336 / 37, 1337 / 38 AND 1338 / 39

	1336/37(1957 /58)		1337/38(1958/59)		1338(1959/60)	
100- General Government Administration		106,658		125,714		137,896
110- Royal Court Ministry	17,206		17,874		17,874	
120- National Assembly	7,064		11,056		11,056	
130- Senate	616		697		590	
140- Prime Ministry	13,526		14,264		22,653	
150- Finance Ministry	64,665		71,310		73,810	
160- Planning Ministry	3,581		10,513		12,513	
200- National Defence and Security		595,897		654,889		745,889
210- Foreign Ministry	26,216		26,347		37,347	
220- Defence Ministry	396,677		429,717		489,717	
230- Interior Ministry	102,734		120,183		134,183	
240- Justice Ministry	8,622		16,380		16,380	
250- Tribal Affairs Department	45,155		45,071		45,071	
260- Press Department	16,493		17,191		23,191	
300- Social Services		230,492		238,682		343,685
310- Education Ministry	119,187		134,647		189,648	
320- Health Ministry	43,031		53,821		68,821	
330- Kabul University(including Faculty of Medicine)	50,126		30,635		60,249	
340- Health Institutions	17,350		18,642		24,030	
350- Olympic Department	798		937		937	
400- Public and Economic Services		444,799		512,945		786,519
410- Public Works Ministry	218,351		254,568		434,568	
420- Agriculture Ministry	35,143		37,426		81,000	
430- Mines and Industry Ministry	68,546		106,895		146,895	
440- Commerce Ministry	22,759		24,056		24,056	
450- Helmand Valley Authority	100,000		100,000		100,000	
500- Communication and Transportations		109,945		115,715		144,417
510- Communication Ministry	51,349		53,772		73,772	
520- Transport Department	3,682		4,013		4,640	
530- Civil Aviation	54,914		57,930		66,005	
800- Debts		151,744		247,365		236,912
810- Payment of principal						
820- Payment of interest	151,744		247,365		236,912	
900- Others		33,602		28,602		33,602
910- Govt. contribution to Enterprises.	33,602		28,602		33,602	
GRAND TOTAL		1,675,137		1,923,912		2,428,920

(-)- nil or negligible.

SOURCE: RESEARCH DEPARTMENT, MINISTRY OF FINANCE.

TABLE - PUBLIC FINANCE (5)

ACTUAL DEVELOPMENTAL PUBLIC EXPENDITURES IN THOUSANDS OF AFGHANIS

HAMAL-SUNBULA, 1336, 1336/37 AND 1337/38 (MARCH-SEPTEMBER, 1957, 1957/58 AND 1958/59)

	Hamal-Sunbula,1336 (March-Sept. 1957)		1336/37(1957/58)		1337/38(1958/59)	
100- General Government Administration		120,830		-		-
110- Royal Court Ministry	-		-		-	
120- National Assembly	-		-		-	
130- Senate	-		-		-	
140- Prime Ministry	-		-		-	
150- Finance Ministry	120,830		-		-	
160- Planning Ministry	-		-		-	
200- National Defence and Security		-		-		-
210- Foreign Ministry	-		-		-	
220- Defence Ministry	-		-		-	
230- Interior Ministry	-		-		-	
240- Justice Ministry	-		-		-	
250- Tribal Affairs Department	-		-		-	
260- Press Department	-		-		-	
300- Social Services		26,155		54,077		37,721
310- Education Ministry	12,043		20,549		26,028	
320- Health Ministry	6,787		8,293		2,307	
330- Kabul University(including Faculty of Medicine)	6,203		14,609		8,766	
340- Health Institutions	1,122		1,626		620	
350- Olympic Department	-		-		-	
400- Public and Economic Services		96,267		268,278		328,425
410- Public Works Ministry	89,933		120,625		178,015	
420- Agriculture Ministry	3,564		7,481		15,276	
430- Mines and Industry Ministry	1,770		43,294		47,286	
440- Commerce Ministry	1,000		5,416		17,631	
450- Helmand Valley Authority	-		91,462		70,217	
500- Communication and Transportation		8,359		46,354		54,895
510- Communication Ministry	3,580		12,760		16,569	
520- Transport Department	1,229		-		-	
530- Civil Aviation	3,550		33,594		38,326	
800- Debts		-		-		-
810- Payment of principal	-		-		-	
820- Payment of interest	-		-		-	
900- Others		-	5,000	5,000		-
910- Govt.contribution to Enterprises	-				-	
GRAND TOTAL		251,611		373,709		421,041

(-)= nil or negligible. SOURCE: RESEARCH DEPARTMENT, MINISTRY OF FINANCE.

TABLE - PUBLIC FINANCE (6)

ESTIMATED DEVELOPMENTAL PUBLIC EXPENDITURES IN THOUSANDS OF AFGHANIS

1336/37, 1337/38 AND 1338/39 (1957/58, 1958/59 AND 1959/60)

	1336/37(1957/58)		1337/38(1958/59)		1338/39(1959/60)	
100- General Government Administration		-		2,089		5,821
110- Royal Court Ministry	-		-		-	
120- National Assembly	-		-		80	
130- Senate	-		-		-	
140- Prime Ministry	-		-		2,517	
150- Finance Ministry	-		2,089		2,807	
160- Planning Ministry	-		-		417	
200- National Defence and Security		-		-		24,540
210- Foreign Ministry	-		-		10,772	
220- Defence Ministry	-		-		-	
230- Interior Ministry	-		-		5,150	
240- Justice Ministry	-		-		149	
250- Tribal Affairs Department	-		-		1,864	
260- Press Department	-		-		6,605	
300- Social Services		75,001		73,589		90,604
310- Education Ministry	40,000		45,443		46,273	
320- Health Ministry	10,000		14,907		24,413	
330- Kabul University(including Faculty of Medicine)	23,114		12,745		17,929	
340- Health Institutions	1,887		494		1,945	
350- Olympic Department	-		-		44	
400- Public and Economic Services		316,000		351,353		549,722
410- Public Works Ministry	127,000		133,000		346,102	
420- Agriculture Ministry	17,000		17,539		23,296	
430- Mines and Industry Ministry	57,000		85,014		118,410	
440- Commerce Ministry	15,000		15,800		635	
450- Helmand Valley Authority	100,000		100,000		61,279	
500- Communication and Transportation		54,000		55,776		53,791
510- Communication Ministry	14,000		14,044		15,946	
520- Transport Department	-		-		391	
530- Civil Aviation	40,000		41,732		37,454	
800- Debts		-		-		-
810- Payment of principal	-		-		-	
820- Payment of interest	-		-		-	
900- Others		5,000		5,000		-
910- Govt.contribution to Enterprises	5,000		5,000		-	
GRAND TOTAL		450,001		487,807		724,478

(-)= nil or negligible. SOURCE: RESEARCH DEPARTMENT, MINISTRY OF FINANCE.

TABLE - PUBLIC FINANCE (7)

INTERNAL LOANS GRANTED BY DA AFGHANISTAN BANK TO THE GOVERNMENT OR WITH GOVERNMENT GUARANTEE IN AFGHANIS

AS ON 30 HOOT, 1338 (20TH MARCH,1960)

Sl. No.	Agency or Enterprise	Loan Granted (1)	Interest Rate (2)	Period of Loan From (3)	Period of Loan To (4)	Duration of loan in years (5)	Amount Paid Back (6)	Instalment Due (7)	Balance Outstanding 1-6+interest due (8)
	GOVERNMENT DEPARTMENTS								
1.	Ministry of Finance (First Project).....	471,000,000	4.0	1332	1353	20	329,226,668	60,988,936*	143,171,500
2.	Ministry of Finance (Second Project).....	400,000,000	4.0	1327	1362	35	-	77,410,423*	420,409,302
3.	Helmand Valley Authority, Ministry of Finance.....	31,548,527	4.0	1336	1338	2	-	32,937,367	32,937,367
4.	Helmand Valley Authority, Ministry of Finance.....	35,217,740	4.0	1329	1364	35	-	1,423,436	36,641,176
5.	Dollar loan of Helmand Valley Authority(1).....	($ 1,000,000) 20,250,000	4.0	1329	1338	9	($ 686,000) 13,691,500	($ 314,000) 6,358,500	6,358,500
6.	Dollar loan of Helmand Valley Authority(1).....	($ 1,552,277) 31,433,609	4.0	1331	1338	7	-	($1,552,277) 31,433,609	31,[illegible],609
7.	Ministry of Interior for Hotel Company.....	3,400,000	4.0	1328	1335	7	-	4,074,167	4,074,167
8.	Ministry of Communications.	6,002,500	4.0	1333	1346	13	1,5[illegible],036	597,233	5,049,554
	TOTAL.....	998,852,376					3[illegible],6[illegible],008	215,[illegible],371	580,[illegible],475
	GOVERNMENT ENTERPRISES								
1.	Government Transport.....	10,000,000	4.0	1329	1330	1	5,1[illegible],355	4,819,645	4,819,645
2.	Government Depot.....	260,000,000	4.0	1334	1335	1	2[illegible],[illegible],[illegible]	[illegible],[illegible],487	[illegible],[illegible],487
3.	Cooperative.....	10,000,000	2.0	1335	1336	2	-	10,712,714	10,712,714
4.	Drugs Depot.....	10,000,000	4.0	1334	1342	8	3,[illegible],[illegible]	133,112	6,133,112
5.	Provision Supply Department.....	183,682,715	4.0	1337	-	-	49,639,261	-	134,043,454
	TOTAL.....	473,682,715					61,[illegible],017	252,352,958	392,396,412
	KABUL MUNICIPALITY								
1.	Loan 22.....	1,000,000	2.0	1337	1342	15	142,156	413,364	[illegible]
2.	Loan 24.....	10,000,000	4.0	1328	1338	10	1,683,533	5,115,241	[illegible]
3.	Loan 28.....	1,500,000	4.0	1328	1329	1	[illegible]	601,112	1,266,701
4.	Loan 52.....	25,000,000	4.0	1333	1353	20	5,277,718	256,422	[illegible]
	TOTAL.....	37,500,000					7,317,125	6,466,419	30,201,275
	HERAT MUNICIPALITY								
1.	First loan.....	5,000,000(2)	4.0	1337	1342	5	-	400,688	1,771,031
	COMMERCIAL-INDUSTRIAL INSTITUTES AND BANKS								
	I- INDUSTRIAL INSTITUTES								
1.	Electric Company.....	70,000,000	4.0	1335	1338	3	-	79,597,121	79,597,121
2.	Cement Factory.....	25,000,000	4.0	1335	1336	1	3,432,982	21,567,018	21,567,018
3.	Textile Company.....	60,000,000	4.0	1337	1340	3	-	32,554,964	62,554,964
4.	Buildings, Paints and Varnishing Company.....	100,000	4.0	1335	1339	4	21,759	-	78,241
5.	Sardar M. Rafique Atique..	300,000	4.0	1327	1337	10	111,136	188,864	188,864
6.	Nazar Machine Industrial Company.....	31,000,000	8.0	1337	1339	2	8,835,128	9,164,872	22,494,206
7.	Nazar Industrial Company..	25,206,000	8.0	1338	1339	1	-	13,013,236	26,496,978
8.	Sakhi Machine Company.....	5,000,000	8.0	1337	1339	2	446,694	2,053,306	4,615,151
9.	Amin Limited Industrial Co.	2,500,000	8.0	1338	1339	1	-	-	2,563,334
	TOTAL.....	219,106,000					12,847,699	158,139,381	220,155,877
	II-COMMERCIAL INSTITUTES AND BANKS								
1.	The Agricultural Bank.....	5,000,000	4.0	1335	1337	2	3,966,026	1,033,974	1,033,974
2.	Cotton Company.....	83,000,000	8.0	1338	1339	1	7,156,138	-	75,843,862
3.	Wool Company.....	80,000,000	8.0	1337	1338	1	53,889,917	26,110,083	26,110,083
4.	Transport Company.....	23,105,592	8.0	1335	1338	3	14,460,357	8,645,235	8,645,235
5.	Andkhoy and Maimana Union Co.	10,502,337	8.0	1337	1339	2	5,826,078	1,607,748	4,714,444
6.	Nazar Union Company.....	11,753,435	8.0	1338	1340	2	8,137,527	-	3,615,908
7.	Textile Import Company....	3,364,170	8.0	1338	1340	2	612,560	-	2,782,297
8.	Casings Company(Kalma)....	450,000	8.0	1336	1337	6 months	382,801	67,199	67,199
9.	Individuals against carpets	394,478	8.0	1335	1336	1	96,406	301,071	301,071
	TOTAL.....	217,570,012					94,527,810	37,765,310	123,114,033
	GRAND TOTAL.....	1,951,711,103					541,324,655	670,748,427	1,448,204,903

* = Interest is included in this item. (1)- The conversion rate of each US $ is equal to Af 20.25. (2) Out of five million credit given only Af 1,771,031 has been used.

SOURCE: DA AFGHANISTAN BANK.

TABLE - PUBLIC FINANCE (c)

PUBLIC FOREIGN INDEBTEDNESS BY COUNTRY AND PURPOSE OF LOAN ON 30 MOOT,1338(20TH MARCH,1960)

Country and purpose of loan	Date of Contract signed	Amount of loan in U.S. $	Interest per year	Grace period in years	Duration of loan (in years)	Date of 1st payment due	Total disbursed	Balance Available	Repayments for principal	Interest	Amounts outstanding
I. USA (From Exim Bank)											
1. Helmand Valley	14.5.56	21,000,000	3.5	7.5	18	April,1961	21,000,000	-	-	8,264,403	21,000,000
2. Helmand Valley	29.4.54	18,500,000	4.5	5.0	18	April,1961	18,500,000	-	-		18,500,000
3. Purchase of wheat	8.1.55	1,500,000	2.5	6.0	29	Jan. 1959	1,433,933	66,067*	66,067*	125,274	1,367,866
4. Ariana Airlines	29.6.56	5,200,000	3.0	8.0	32	Dec. 1961	2,468,012	2,531,988	-	-	2,468,012
5. Civil Aviation	29.6.56	1,800,000	3.0	8.0**	32	Dec. 1961					
6. Helmand Valley	28.6.57	1,500,000	3.0	4.0	36	April,1962					
7. Purchase of coal trucks	28.6.57	800,000	3.0	4.0	36	April,1962	5,750,000	-	-	-	5,750,000
8. General Transport Purposes	28.6.57	2,450,000	3.0	4.0	36	April,1962					
9. Public Works	28.6.57	1,000,000	3.0	4.0	36	April,1962					
Total		53,750,000					49,151,945	2,598,055	66,067	8,389,677	49,085,878
II. I.D.A.											
1. Silo construction 1st	27.1.54	5,500,000	3.0	3.0	5	1957					
2. Silo construction 2nd	27.1.54	200,000	3.0	3.0	5	1957	5,563,484	236,516	5,097,262	469,789	466,222
3. Public Works and Municipalities	27.1.54	2,100,000	3.0	3.0	5	1957					
4. Economic development Purposes	27.1.56	100,000,000	2.0	8.0	22	1964	37,943,846	62,056,154	-	877,017	37,943,846
5. Security purposes	1957	25,000,000	2.0	-	8	1965	25,000,000	-	12,500,000	952,657	12,500,000
6. Exploration for petroleum	30.9.57	15,000,000	-	25.0	25	1984	7,908,131	7,091,869	-	-	7,908,131
Total		145,800,000					76,415,461	69,384,539	17,597,262	2,299,463	58,818,199
III. CZECHOSLOVAKIA (x)											
1. Industrial loans for cement and fruits	1956	5,000,000	3.0	3.0	5	1959	1,311,556	3,688,444	322,290	30,346	982,266
2. Security purposes	1956	7,391,808	3.0	3.0	5	1959	7,391,808	-	4,646,400	538,955	2,745,408
Total		12,391,808					8,703,364	3,688,444	4,968,690	569,301	3,734,674
IV. WEST GERMANY											
1. Textiles		3,845,077+	7.25	-	10	1965	3,845,077	-	27,443	3,156	3,817,634
GRAND TOTAL		213,786,885					138,115,847	75,671,038	22,659,462	11,281,597	115,456,385

(*)This amount ($ 66,067) was not utilised. (**)Four years' grace for principal and three years for interest.

(@)Repayment has been made on barter basis for this amount of $ 200,000.

(x)The original loan was in dollars but repayments were made in £. These were converted at the rate of £= 2.8 $ for comparison sake.

(+)The loan is made up of $ 3,567,008.18 and WD 1,172,091.28. The latter was converted to dollars at the rate of $ 1= DM 4.2.

SOURCES: MINISTRY OF FINANCE, DA AFGHANISTAN BANK, TEXTILE COMPANY AND ICA.

TABLE - BALANCE OF PAYMENTS (1)

SUMMARY STATEMENT OF BALANCE OF PAYMENTS POSITION

1336 AND 1337 (1957/58 AND 1958/59)

(IN MILLIONS OF AFGHANIS)

A. CURRENT TRANSACTIONS

Items	Credit		Debit		Net Balance	
	1336	1337	1336	1337	1336	1337
1. Merchandise Trade and Non-Monetary Gold	1,984.5	1,722.7	1,966.3	2,532.8	18.2	- 810.1
2. Invisibles.....	121.4	119.5	73.4	177.9	48.0	- 58.4
3. Donations.....	126.3	94.5	0.3	0.2	126.0	+ 94.3
4. Errors and Omissions.....	-	349.0	427.9	-	-427.9	+ 349.0
Total current transactions.....	2,232.2	2,285.7	2,467.9	2,710.9	-235.8	- 425.2

B. MOVEMENT OF CAPITAL AND MONETARY GOLD

Items	Assets		Liabilities		Net Assets	
	1336	1337	1336	1337	1336	1337
1. Private Long-Term Capital.....	-	-	-	+ 0.3	-	- 0.3
2. Private Short-Term Capital	-	-	-	-	-	-
3. Official Long-Term Capital	-	-	+506.7	+ 551.1	-506.7	-551.1
4. Official Short-Term Capital	+258.3	+136.8	+ 0.6	+ 10.7	+257.7	+126.2
5. Monetary Gold.....	+ 13.1	-	-	-	+ 13.1	-
Total movement of capital and monetary gold	+271.5	+136.8	+507.3	+ 562.1	-235.8	-425.3

* Totals are not necessarily exact because of rounding.

(+)= Increase. (-)= Decrease. - = nil or negligible.

Source: Research Department, Da Afghanistan Bank

TABLE - BALANCE OF PAYMENTS (2)

CURRENT TRANSACTIONS

1336 AND 1337 (1957/58 AND 1958/59)

(IN AFGHANIS)

Items	Credit 1336	Credit 1337	Debit 1336	Debit 1337	Balance* 1336	Balance* 1337
1. Merchandise Trade Exports and Imports (mostly CIF)**.....	1,984,488,167.00	1,722,733,939.00	1,966,268,822.00	2,532,767,329.00	18,219,345.00	-810,033,390.00
2. Non-monetary Gold.....	-	-	45,320.74	-	- 45,320.74	-
3. Foreign Travel.....	96,796,003.58	101,140,281.39	26,635,457.34	32,180,067.79	70,160,546.24	68,960,213.60
4. Transportation.....	1,837,021.10	3,183,661.55	1,583,582.46	31,899,731.48	253,438.64	- 28,716,069.93
5. Insurance.....	-	-	3,464,398.75	5,524.33	- 3,464,398.75	- 5,524.33
6. Investment Income.....	3,240,955.98	2,670,469.99	34,758,633.90	45,249,213.49	-31,517,677.92	- 42,578,743.50
7. Government not included elsewhere.....	7,580,219.95	1,348,292.61	2,761,548.66	39,723,302.64	4,818,670.39	- 38,375,010.03
8. Miscellaneous (8.1 to 8.6).....	12,017,211.68	11,138,849.63	4,255,106.42	28,836,671.53	7,762,105.26	- 17,697,821.90
8.1 Commissions.....	8,173,485.84	1,739,921.15	854,906.11	2,486,848.80	7,318,579.73	- 746,927.65
8.2 Subscriptions.....	68,643.51	20,158.74	71,982.24	630,219.46	- 24,848.64	- 610,060.72
8.3 Salaries and wages.	426,539.86	3,695,543.97	165,879.88	2,119,240.96	260,659.98	+ 1,576,213.01
8.4 Postal Services....	168,842.51	1,124,498.00	642,802.12	504,251.41	- 473,919.61	620,246.59
8.5 Treatment.....	2,066,150.40	1,182,102.14	328,415.86	368,154.90	1,737,734.54	813,947.24
8.6 Others.....	1,113,509.56	3,376,715.63	2,191,120.21	22,727,956.00	-1,077,610.65	- 19,351,240.37
9. Donations.....	126,277,653.82	94,455,939.58	324,522.78	226,757.39	125,953,131.10	94,229,182.19
10. Errors and Omissions...	-	348,979,466.79	427,920,337.97	-	-427,920,337.97	348,979,466.79
Total current transactions.....	2,232,237,232.27	2,285,650,900.54	2,468,017,731.02	2,710,888,597.65	-235,780,498.75	-425,237,697.11

* (+)- Net credit (-)- Net debit. -- Nil or negligible.

**CIF- Cost, Insurance and Freight.

Source: Research Department, De Afghanistan Bank.

TABLE - BALANCE OF PAYMENTS (3)

CAPITAL AND MONETARY GOLD MOVEMENT

1336 AND 1337 (1957 / 58 AND 1958 / 59)

(IN AFGHANIS)

	Assets		Liabilities		Net Assets	
	1336	1337	1336	1337	1336	1337
11. Private Long-Term Capital:						
11.1 Direct Investment..	-	-	-	+ 288,181.21	-	- 288,181.21
12. Private Short-Term Capital.....	-	-	-	-	-	-
13. Official and Banking Long-Term Capital (13.1 to 13.3):	-	-	+506,704,093.91	+551,120,133.17	-506,704,093.91	-551,120,133.17
13.1 Official loans.....	-	-	+571,418,646.00	+657,010,372.20	-571,418,646.00	-657,010,372.20
13.2 Portfolio securities	-	-	-	-	-	-
13.3 Amortisation.....	-	-	- 64,714,552.09	-105,890,239.03	+ 64,714,552.09	+105,890,239.03
14. Official Short-Term Capital.....	+258,342,253.10	+136,849,403.00	+ 560,672.00	+ 10,678,785.73	+257,781,581.10	+126,170,617.27
14.1 Payment and clearing agreement.....	+190,120,492.10	-	-	+ 10,398,785.73	+190,120,492.10	- 10,398,785.73
14.2 Liabilities to official and banking institutions.....	-	-	+ 560,672.00	+ 280,000.00	- 560,672.00	- 280,000.00
14.3 Official foreign exchange holdings.....	+ 68,221,761.00	+136,837,181.00	-	-	+ 68,221,761.00	+136,837,181.00
14.4 Others.....	-	+ 12,222.00	-	-	-	+ 12,222.00
15. Monetary Gold.....	+ 13,142,014.06	-	-	-	+ 13,142,014.06	-
16. Total movement of capital and monetary gold.....	+271,484,267.16	+136,849,403.00	+507,264,765.91	+562,087,100.11	-235,780,498.75	-425,237,697.11

(+) = Increase. (-)= Decrease. -- nil or negligible.

Source: Research Department, De Afghanistan Bank.

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TABLE- BALANCE OF PAYMENTS (4) -1

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 3- Foreign Travel (Credit)

Local expenses by Foreign Firms and residents operating in Afghanistan

Agency	Amount	Agency	Amount
Foreign residents.....	2,145,129.03	Foreign Firms.....	413,874.14
Staff of Embassies.....	360,580.00	Foreign Airlines.....	24,170.00
Staff of Foreign Firms...	1,387,034.90		
		Total.....	6,026,850.52

Local expenses by Embassies

Agency	Amount	Agency	Amount
American Embassy, I.C.A., and all personnel.....	59,511,614.00	Pakistan Embassy.....	22,093.05
Turkish Embassy.....	25,193.20	Iraqi Legation.....	336,000.00
Czechoslovak Legation....	585,599.84	Iranian Embassy.....	148,724.80
Saudi Arabian Embassy....	613,184.00	Chinese Embassy.....	1,000,800.00
Indonesian Embassy.....	733,880.00	Asia Foundation.....	1,882,902.00
German Embassy.....	576,871.24	International Fair Mission.....	1,569,381.00
British Embassy.....	114,800.00	UNTAM.....	70,549.40
French Embassy.....	140,000.00		
U.A.R.Embassy.....	885,542.56	Total.....	69,687,135.69
Indian Embassy.....	1,470,000.00		
		GRAND TOTAL.....	101,140,281.39

Item 3- Foreign Travel (Debit)

Diplomatic Expenses

Agency	Amount
Ministry of Foreign Affairs.....	14,702,213.98

Travel for Educational Purposes

Agency	Amount	Agency	Amount
Kabul University.....	7,739,699.16	Ministry of Interior...	[illegible]
Ministry of Finance.....	303,750.00	Faculty of Medicine....	[illegible]
Ministry of Foreign Affairs.....	703,268.64	Faculty of Economics...	[illegible]
		Afghan Air Authority...	[illegible]
Ministry of National Defence.....	1,933,739.43	Textile Company.....	[illegible]
Ministry of Education....	509,110.26	Citizens(local).....	[illegible]
Ministry of Communications	607.32	Total.....	[illegible]

Travel for Medical Purposes

Agency	Amount	Agency	Amount
Kabul University.....	28,920.00	Bank Millii Afghan.....	[illegible]
Ministry of National Defense	62,129.80	Afghan residents.....	[illegible]
Ministry of Health.....	51,036.21	Total.....	[illegible]

Travel for General Purposes

Da Afghanistan Bank.....	59,[illegible].00	Pashtany Tejarety Bank.	[illegible]
Walwal Theatre.....	[illegible].00		
Total.....	[illegible].00	[illegible].....	[illegible]

TABLE- BALANCE OF PAYMENTS (4) -2

SUPPLEMENTARY TABLE FOR INVISIBLES ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 4- Transportation (Credit)

Transportation receipts by Afghan firms and residents

Agency	Amount	Agency	Amount
Ministry of Communications..	134,624.00	Private transport Companies..	3,055.08
Ariana Afghan Airlines.....	2,371,040.46	Commercial firms.....	343.50
Tarakul Export Company.....	41,149.02	Merchant.....	357,081.50
Transit Company.....	108.96		
		Total.....	2,908,199.94

Travelling receipts

Agency	Amount	Agency	Amount
Afghan residents.....	110,964.00	Ariana Afghan Airlines.....	48,437.76
Citizens(foreign).....	40,900.00	TRANSIT Company.....	10,000.00
Ministry of foreign affairs.	11,067.65		
De Afghanistan Bank.....	1,840.00	Total.....	224,917.61

Local transport expenses by foreign concerns

Agency	Amount	Agency	Amount
Japan Osaka Company Limited.	17,719.00	Switzerlande-Afghanistan Foundation.....	36,825.00
		Total.....	90,544.00
		Grand total...	[illegible]

Item 4- Transportation (Debit)

Passage and travelling expenses

Agency	Amount	Agency	Amount
Ministry of Public Works.....	9,791.00	Ministry of Education.....	66,340.73
Ministry of Foreign Affairs.	667,127.37	Ministry of Commerce.....	21,675.00
Ministry of Mines and Industries.....	44,825.00	Afghan Red Crescent.....	114,500.00
Ministry of National Defense	3,975.45	De Afghanistan Bank.....	762,171.00
Municipality of Kabul.....	17,715.15	Transit Company.....	1,950.00
Jordan Company.....	6,507.02	Italian Press.....	1,725.00
		Afghan residents.....	7,479.39
			9,987,987.02
		Total.....	4,346,501.67

Remittances

The Majesty's Office.....	27,500.00	Individuals.....	113,779.13
Ministry of Court.....	27,781.00	Postal Payment Institute.....	79,681.10
Ministry of Finance.....	10,589,179.27	Afghan Air authority.....	3,670,598.42
Municipality of Kandahar Office.....	110,180.00	Government Enterprises.....	306,043.75
Ministry of Public Works.....	148,791.00	Imperative Import.....	[illegible]
Ministry of Mines and Industries.....	9,125.50	Public Corporation.....	16,[illegible]
Ministry of National Defense	[illegible]	Kabul Municipality.....	714,[illegible]
Ministry of Education.....	[illegible]	Herat Municipality.....	63,947.50
Ministry of Commerce.....	[illegible]	Kandahar Electric Company.	1,076,[illegible]
Ministry of Agriculture.....	[illegible]	Kandahar Company.....	[illegible]
Jordan Company.....	276,[illegible]	Helmand Cotton Company....	[illegible]
Ministry of Communications....	[illegible]	Kabul Jewelry.....	[illegible]
Ministry of Health.....	[illegible]	Company.....	713,[illegible]
United Electrical.....	[illegible]		
National Mining Authority....	9,[illegible]	Grand Total.....	31,099,721.48
Afghan Gas Department.....	[illegible]		
De Afghanistan Bank.....	[illegible]		

TABLE- BALANCE OF PAYMENTS (4)-3

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 5- Insurance (Debit)

Insurance of Afghan students abroad

Agency	Amount	Agency	Amount
Through Da Afghanistan Bank:.			
Kabul University.....	1,883.25	Ministry of Communications..	3,641.08
		Grand Total.....	5,524.33

Item 6- Investment Income (Credit)

Agency	Amount	Agency	Amount
Da Afghanistan Bank's interest receipts.....	4,353.78	Da Afghanistan Bank's profit.....	87,146.65
		Total.....	91,500.43

Profits of Bank Millie Branches Abroad

Agency	Amount	Agency	Amount
Afghan American Trading Co.... (New York)	93,889.40	Afghan National Bank Ltd., London.....	412,496.00
Bank Millie Afghan, Hamburg...	55,686.60	Afghan National Bank, Peshawar and Chaman.....	1,108,787.40
		Total.....	2,570,859.40

Agency	Amount	Agency	Amount
American Express Company.....	2,000.00	Receipts from Sind Commercial Corporation.....	6,110.16
GRAND TOTAL.....	2,670,469.99		

Item 6- Investment Income (Debit)

Interest paid on loans due to:

Export-

Agency	Amount	Agency	Amount
Export-Import Bank, Washington D.C. by Helmand Valley Authority.....	31,134,375.00	U.S.S.R.....	9,095,316.05
		Czechoslovakia.....	4,904,515.74
		Total.....	45,134,206.79

Loss of Bank Milli Branch Abroad

Agency	Amount	Agency	Amount
Afghan National Bank, Bombay..	99,607.55	Loss of Pashtany Tejaraty Co. Private Ltd., Amritsar	15,399.15
		Grand Total.....	45,249,213,49

TABLE - BALANCE OF PAYMENTS (4) -4

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 7- Government not elsewhere included (credit)

Agency	Amount	Agency	Amount
Ministry of Public Works....	8,849.61	National Assembly.....	-
Ministry of Finance.....	503,007.07	Afghan Air Authority.....	872.59
Ministry of Mines and Industries.....	28,506.60	Chamber of Commerce.....	108.08
Ministry of National Defence.....	44,089.76	Pashtany Tejaraty Bank.....	44,712.96
Ministry of Education.....	17,923.00	Staff Cooperative.....	214,418.29
Ministry of Communications..	83,686.75	Government Monopolies.....	159,231.24
Ministry of Foreign Affairs.	12,216.50	Cooperative Depot.....	80,972.36
Press Department.....	994.00	Medical Depot.....	5,041.00
Olympic Department.....	392.00	Bank Millie Afghan	39,999.84
Da Afghanistan Bank.....	94,214.08		
Livestock Improvement Organisation.....	3,456.88	GRAND TOTAL.....	1,348,292.61

Item 7- Governot not elsewhere included (debit)

Agency	Amount	Agency	Amount
His Majesty's Office.....	81,000.00	Women's Welfare Society....	20,890.71
Ministry of Court.....	77,771.84	Faculty of Economics.....	42,468.30
Prime Ministry.....	542.44	Afghan Red Crescent.....	297.50
Kabul University.....	43,405.26	Chamber of Commerce.....	4,434.47
Ministry of Public Works....	196,462.55	Bakhtar News Agency.....	8,505.00
Ministry of Finance.....	8,931,521.08	Rural Development Commission	33,786.86
Ministry of Agriculture.....	21,977.92	Afghan Air Authority.....	378,968.17
Ministry of Mines and Industries.....	3,243,516.82	Olympic Department.....	6,200.68
Ministry of National Defence.....	778,116.99	Staff Health Department....	598.19
Ministry of Education.....	905,575.11	Da Afghanistan Bank.....	2,512,549.90
Press Department.....	802,927.50	Pashtany Tejaraty Bank.....	6,307,154.47
Ministry of Communications..	935,792.90	Agriculture and Cottage Industries Bank.....	10,611.00
Ministry of Interior.....	810.00	Helmand Valley Authority...	9,412,222.70
Faculty of Medicine.....	223,262.80	Government Monopolies.....	4,388,664.84
Ministry of Health.....	272,579.37		
Ministry of Commerce.....	44,502.11		
Aliabad Hospitals.....	36,185.16	GRAND TOTAL.....	39,723,302.64

TABLE - BALANCE OF PAYMENTS (4)-5

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 8.1 - Commissions (Credit)

Commissions on banking services

Agency	Amount
German Industrial Bureau.....	906.78

Commissions on Sale of goods

Agency	Amount
Commercial firms.....	19,495.44
Merchants.....	1,264,706.24
Cooperative Depot.....	7,155.29
Da Afghanistan Bank.....	227,315.20
Karakul Export Company....	177,338.44
Itehadia Mazar Sharif.....	22,519.61
Itehadia Andkhoy.....	8,579.31
Itehadia Bulkh.....	1,274.00

Agency	Amount
Wayaand Service Company.....	4,218.51
Carpets Export Company.....	6,412.33
GRAND TOTAL.....	1,739,921.15

Item 8.1 - Commissions (Debit)

Agency	Amount
Pharmacies.....	21,934.36
Commercial firms.....	3,807.02
Merchants.....	4,289.07
Citizens(local).....	1,108.49
Photo Houses.....	58.60
His Majesty's Office.....	564.67
Ministry of Court.....	167.16
Prime Ministry.....	136.08
Kabul University.....	11,519.13
Ministry of Public Works..	1,642.24
Ministry of Finance.....	91,687.36
Ministry of Agriculture...	159.25
Ministry of Foreign Affairs.....	18,513.82
Ministry of National Defence.....	178,078.68
Ministry of Education.....	145,988.96
Afghan Air Authority.....	8,419.89
Olympic Department.....	5.67
Staff Health Department...	315.14
Herat Municipality.....	169.53
Da Afghanistan Bank.....	93,109.78
Pashtany Tejaraty Bank....	445,500.00
Agricultural and Cottage Industries Bank.....	154.51
Construction Bank.....	140.45
Ariana Afghan Airlines....	172,532.15
Sugar Company.....	3,480.29
Cotton Company.....	19,505.71

Agency	Amount
Press Department.....	11,624.44
Ministry of Communications...	39,353.13
Ministry of Interior.....	435.87
Faculty of Medicine.....	361.05
Ministry of Health.....	20.25
Ministry of Commerce.....	44,123.22
Malaria Eradication Department.....	42.50
Aliabad Hospitals.....	449.31
Cooperative Depot.....	229.14
Staff Cooperative.....	3,797.39
Municipalities.....	142,190.34
Afghan Red Crescent.....	756.95
Medical Depot.....	36,874.85
Chamber of Commerce.....	25.52
Rural Development Commission.	83.63
Textile Company.....	921,789.20
General Electric Company.....	16,101.72
Hajari Nazari Company.....	962.22
Cement Company.....	5,302.08
Kolmo Export Company.....	78.98
Industrial Chemical Company..	407.39
Wool Export Company.....	36,814.37
Matches Manufacturing Company	795.79
Shaker Ceramic Company.....	1,241.45
GRAND TOTAL.....	2,486,848.80

SOURCE: DA AFGHANISTAN BANK (FOREIGN TRANSACTIONS).

TABLE - BALANCE OF PAYMENTS (4)-6

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 8.2 - Subscriptions (Credit)

Foreign subscriptions to Afghan Papers

Agency	Amount	Agency	Amount
Da Afghanistan Bank's Bulletin.....	140.00	Iqtesad Monthly Magazine...	1,512.00
Islah Daily paper.....	3,332.00	Afghanistan Magazine.....	2,266.88
Sistan Magazine (Farah).	34.00	Ariana Magazine.....	643.66
Zhowandoon Weekly Magazine.....	728.00	Veesa Bulletin.....	168.00
Bedar Daily paper (Mazar-i-Sharif)...	100.00	Anis Daily paper.....	7,886.20
Wulangah Daily paper (Paktia).....	48.00	Others.....	2,880.00
Wuttah Magazine.....	420.00	GRAND TOTAL.....	20,158.74

Item 8.2 - Subscriptions (Debit)

Afghan Subscriptions in Foreign Papers

Agency	Amount	Agency	Amount
Bank Millie Afghan.....	2,835.00	Da Afghanistan Bank.....	8,443.45
Ministry of Court.....	2,020.74		
Ministry of Foreign Affairs.....	3,037.50		
Ministry of Commerce...	1,012.50	Total.....	17,349.19

Subscription fees to International Organisations

Agency	Amount	Agency	Amount
Union International Posts, Ministry of Communications.....	11,795.30	United Nations (Ministry of Finance).....	43,249.06
International Civil Aviation Organisation (Afghan Air Authority).	136,768.50	International Red Cross Society, Geneva(Ministry of Health).....	14,160.00
UNICEF (Ministry of Health).....	242,190.00	International Red Cross Society,Geneva(Afghan Red Crescent).....	30,165.40
Food and Agriculture Organisation (Ministry of Agriculture).....	134,542.01		
		GRAND TOTAL.....	630,219.46

SOURCE: BANK MILLIE AFGHAN AND

DA AFGHANISTAN BANK (FOREIGN TRANSACTIONS)

TABLE - BALANCE OF PAYMENTS(4) -7

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 8.3 - Salaries and Wages(Credit)

Agency	Amount	Agency	Amount
Ministry of Foreign Affairs.....	17,797.36	UNIMAC Company.....	744,867.60
Staff for United Nations Agencies.....	882.00	Foreign citizens.....	2,256,046.39
Staff of Embassies.....	585,860.62	GRAND TOTAL.....	3,695,453.97
Foreign staff of foreign companies.....	90,000.00		

Item 8.3 - Salaries and Wages(Debit)

Agency	Amount	Agency	Amount
Kabul University.....	110,246.56	Ministry of Commerce.....	214,816.25
Ministry of Public Works	90,821.25	Faculty of Science.....	17,000.00
Ministry of Finance.....	48,284.00	Government Monopolies.....	3,748.50
Ministry of Foreign Affairs.....	450,734.21	Ariana Afghan Airlines.....	512,492.86
Ministry of National Defence.....	168,038.98	General Electric Company.....	141,750.00
Ministry of Education...	52,062.50	Transport Company.....	128,079.70
Press Department.....	175,092.95		
Faculty of Medicine.....	6,073.20	GRAND TOTAL.....	2,119,240.96

SOURCE: DA AFGHANISTAN BANK (FOREIGN TRANSACTIONS).

Item 8.4- Postal Services(Credit)

Agency	Amount	Agency	Amount
Ministry of Communications.....	413,677.02	Relay of Communications.....	26,526.78
Ministry of Communications(Post Parcel Services).....	42,836.40	Total.....	773,747.62
Traffic Incomes.....	290,707.42		

Postal incomes from foreign firms operating in Afghanistan

Agency	Amount	Agency	Amount
Liaison office of Japan Goshe Company, Kabul: Telegraph and mail.....	130,905.75	Indamer Afghan Industries: Cables, telephones, postage.....	68,875.50
Marubeni Iida Co.Ltd: Postage and Telegraph...	149,819.00		
Indian Air Lines Corporation: Postage and telephone...	1,150.13	GRAND TOTAL.....	1,124,498.00

Item 8.4 - Postal Services(Debit)

Agency	Amount	Agency	Amount
Ministry of Communications	501,556.93	Shaker Ceramic Company.....	515.12
Da Afghanistan Bank.....	1,156.02	Merchants.....	55.19
Ministry of National Defence.....	106.92	Citizens(local).....	630.39
Sugar Company.....	230.84	GRAND TOTAL.....	504,251.41

SOURCE: DA AFGHANISTAN BANK (FOREIGN TRANSACTIONS).

TABLE - BALANCE OF PAYMENTS (4)-8

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 8.5 - Taxations (Credit)

Stamp Tax

Agency	Amount	Agency	Amount
Ministry of Finance.....	834,538.12	Ministry of Communications..	40,400.00
Ministry of Foreign Affairs.....	64,897.73	Total.....	939,835.85

Sales Tax

Agency	Amount
Cooperative Depot.....	242,266.29

GRAND TOTAL..... 1,182,102.14

Item 8.5 - Taxations (Debit)

Sales Tax

Agency	Amount
Afghan Merchants.....	368,154.90

GRAND TOTAL..... 368,154.90

SOURCE: DA AFGHANISTAN BANK (FOREIGN TRANSACTIONS).

8.6 - Others (Credit)

Claims and Damage Compensations

Agency	Amount	Agency	Amount
Commercial Firms.....	3,090.00	Ministry of Finance.....	3,608.08
Merchants.....	688.50	Da Afghanistan Bank.....	3,909.20
Citizens(Local).....	4,105.05	Total.....	15,400.83

Pension

Agency	Amount
Ministry of Finance.....	6,129.64

Receipts for Services

Asia Foundation.....	18,669.00

Miscellaneous expenditures of Foreign Firms

Agency	Amount	Agency	Amount
Japan Gosho Co.,Kabul: (entertainment,rent, stationery, repairs, welfare etc.).....	94,617.00	Netherlands-Afghanistan Foundation: Rent, electricity,heating, furniture advertisements etc.....	176,210.00
Shourie Freres: Income tax.....	28,476.35	Marubeni Iida Company: rent, gasoline,repairs,lights, heating, duty, monopolies' fees,traffic etc.....	111,883.00
Austrian Trade Delegate: (electricity,rent).....	108,000.00	Indian Air Lines Corporation: Fuel,crews expenses,uniform, medical affairs, rent,tax, electricity,gasoline, landing fees,housing, parking fees meals, accommodation, furniture, equipment etc.....	[illegible],732.99
Pakistan International Airways: expenses on freight,mail, fuel,stores,etc.....	65,868.00	Indamer Afghan Industries: Wages,costs,rent,repairs, exhibition expenses,maintenance etc.....	[illegible],850.00
Raj Trading Corporation: Income tax.....	49,173.00		
Buyer Representative of O.C.M.Ltd.(London),Kabul: Office expenses.....	10,900.95		
Income tax.....	158,571.50		

(Continued)

TABLE -BALANCE OF PAYMENTS (4) -9

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 8.6 - Others (Credit) (Continued)

Miscellaneous expenditures of Foreign Firms (continued)

Agency	Amount
Advertisements:	
Foreign advertisements published in Afghan papers.....	168.00
Personal remittances:	
Afghan students and citizens.....	584,588.00
Others:	
Ministry of Finance.....	297,620.73
Ministry of Foreign Affairs.....	9,185.12

Agency	Amount
Others(continued):	
Da Afghanistan Bank.....	243,604.00
Maywand Service Company....	312,999.12
Kolmo Export Company.....	58,469.23
GRAND TOTAL.....	3,376,715.63

SOURCE: Da Afghanistan Bank (Foreign Transactions, Pashtany Tejaraty Bank and above firms).

Item 8.6 - Others (Debit)

Payment for extension of Letters of Credits

Agency	Amount
Government Monopolies...	141.76
Rent:	
Ministry of Foreign Affairs.....	27,049.05
Allowances for Holy Days:	
Press Department.....	2,591.19
Expenses on goods:	
Merchants.....	188.38
Ministry of Communications.....	70.13
Da Afghanistan Bank.....	4,828.31
Demeurrage:.....	
Faculty of Economics....	425.00
Repairs:	
Ministry of Mines and Industries.....	19,125.00
Workers' remittances:	
Foreign workers of Government Departments..	7,980,863.72
Foreign Workers of Enterprises and Companies.....	10,352,447.48
Foreign workers of Kabul University.....	73,220.68
Others.....	928,209.99

Agency	Amount
Miscellaneous:	
National Assembly.....	1,062.50
Ministry of Education.....	8,617.46
Ministry of Planning.....	78,787.28
Ministry of Court.....	5,282.75
Ministry of Foreign Affairs.....	497,365.11
Ministry of National Defence	40,500.00
Ministry of Health.....	8,310.00
Press Department.....	254,238.83
Da Afghanistan Bank.....	22,295.25
Government Monopolies.....	1,986.48
Sugar Company.....	9,681.53
Cotton Company.....	425,958.75
Hajari Najari Company.....	3,969.00
Citizens(local).....	46,313.07
National Press.....	60.76
Others.....	40,522.54
Film rentals:	
Puhani Theatre.....	1,893,844.00
GRAND TOTAL.....	22,727,956.00

SOURCE: DA AFGHANISTAN BANK (FOREIGN TRANSACTIONS) AND PUHANI THEATRE.

TABLE -BALANCE OF PAYMENTS (4)-10

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (2) CURRENT ACCOUNT IN AFGHANIS

Item 9 - Donations (Credit)

Agency	Amount
Asia Foundation:	
Provision of an adviser to Radio Kabul.....	252,000.00
Provision of a Physical Education Adviser to the Ministry of Education.....	336,000.00
Provision of a women's physical education adviser to the Ministry of Education.....	168,000.00
Operating expenses for Sharinau Sports Club.....	22,400.00
Grant to Kabul Public Library for the purchase of books and equipment....	33,600.00
Grant to Darul Mo'Allemein for recreational facilities and athletic equipment....	25,700.00
Grant of equipment to Boy Scouts and publications...	3,500.00
Grant to Central Bureau of Statistics, Ministry of Planning for the purchase of statistical equipment..	112,000.00
Grant to Rural Development Commission for National Training Centre.....	103,600.00
Grant to Darul Mo'Allemein for agricultural classroom,laboratory and materials.....	8,400.00
Purchase of spare and replacement parts for the Ministry of Education Press	47,600.00
Assistance to Bakhtar News Agency(spare and replacement parts for Westrex equipment and payment for UPI service).....	42,000.00
Grant to University of Kabul to contribute to the costs of construction of a gymnasium.....	1,400,000.00
Total.....	2,554,800.00

Agency	Amount
UNICEF:	
1. Malaria Eradication Projects:	
DDT 75% Wettable powder...	2,689,880.76
Spare parts for vehicles,. tyres and tubes.....	161,304.36
Vehicles (jeep, station-wagon, trucks).....	410,270.56
Bicycles.....	103,895.40
Sprayers.....	245,392.00
Malaria drugs.....	113,844.36
2. Typhus control projects...	102,897.48
3. Vaccine production.....	96,252.24
4. Environmental sanitation projects.....	436,339.20
5. Maternal and Child Welfare projects:	
Supplies and equipment....	194,376.00
A.D.Vitamins.....	61,177.20
Soap laundry and toilet...	152,080.32
Whole milk.....	221,796.68
Skim milk.....	254,826.60
Drugs.....	56,885.92
Total.....	5,301,219.08
ICA:	
Projects undertaken by ICA as contribution.....	10,986,654.00
Wheat grants.....	72,821,666.50
Total.....	83,808,320.50
Donations received by Afghan Red Crescent.....	131,600.00
United Nations:	
Technical and Development Assistance for a survey conducted at Kandahar.....	2,660,000.00
GRAND TOTAL.....	94,455,939.58

SOURCES: Asia Foundation, UNICEF, ICA, Da Afghanistan Bank(Foreign Transactions) and Ministry of Mines and Industries.

Item 9- Donations (Debit)

Agency	Amount
Afghan Red Crescent:	
Travel costs of an Afghan Medical Mission to Pakistan.	112,847.09
Maywand Service Company.....	113,910.30
GRAND TOTAL.....	226,757.39

SOURCES: Afghan Red Crescent, and Da Afghanistan Bank(Foreign Transactions).

TABLE - BALANCE OF PAYMENTS (5)-1

SUPPLEMENT TABLE FOR INDIVIDUAL ITEMS IN TABLE (3) (CAPITAL AND MONETARY GOLD MOVEMENTS)

(IN AFGHANIS)

Item 11.1-Direct Investment (Assets)

Receipts (Decrease of Assets)

Agency	Amount
Equipment of a repairing workshop brought into Afghanistan by Indamer Afghan Industries, Kabul.....	288,181.21

* This consists of £ 3,069.3.5

Source: Indamer Afghan Industries.

Item 13.1 - Official loans

Receipts (Credits)

Agency	Amount	Agency	Amount
I.C.A.		U.S.S.R.	
By Government departments for development projects.....	143,177,479.40	By Government departments for development projects.....	422,[illegible]3,492.80
Export Import Bank		By Government departments for general purposes.....	85,73[illegible]00.00
Helmand Valley Authority for development projects.....	6,000,000.00	GRAND TOTAL.....	657,010,[illegible]72.20

Source: Ministry of Finance.

Item 13.2 - Portfolio securities

Item 13.3 - Amortization

Liabilities

Agency	Amount	Agency	Amount
Repayment of loans to: U.S.S.R. (Silo and Municipality).....	41,692,545.53	Czechoslovakia: (Cement Factory).....	915,443.50
U.S.S.R. (Government Departments).....	63,281,250.00		
Total.....	104,974,795.53	GRAND TOTAL.....	105,890,239.03

Source: Ministry of Finance.

Item 14.1 - Payment and clearing agreement

To and From	Exports	Imports	Imports - Balance	Balance
U.S.S.R.....	412,563,495.95	446,681,421.14		-34,117,925.19
Poland.....	51,798.93	2,114,429.37		- 2,062,630.44
Czechoslovakia...	107,857,562.61	82,486,428.00		+25,371,134.61
China.....	410,635.29	-		+ 410,635.29
Total Balance.....				-10,398,785.73

Source: General Clearing Department, Da Afghanistan Bank.

TABLE - BALANCE OF PAYMENTS (5)-2

SUPPLEMENTARY TABLE FOR INDIVIDUAL ITEMS IN TABLE (3) (CAPITAL AND MONETARY GOLD MOVEMENTS (IN AFGHANIS)

Item 14.2 - Liabilities to official and banking institutions

Liabilities:(+) Increase and (-) Decrease

Agency	Amount
Central Bank of Iraq.....	+ 280,000.00
TOTAL.....	+ 280,000.00

Source: Da Afghanistan Bank (Foreign Transactions and Balance Sheet).

Item 14.3 - Official foreign exchange holdings

Da Afghanistan Bank:

	1336	1337	Change during 1337
Holdings.....	625,332,308.00	761,365,278.00	136,032,970.00

Bank Millie Afghan:

Holdings.....	412,613.00	1,216,824.00	804,211.00
		GRAND TOTAL.....	136,837,181.00

Source: Balance sheets of Da Afghanistan Bank and Bank Millie Afghan.

Item 14.4 - Others (Assets)

Claims of Afghan Papers Abroad

Agency	Amount	Agency	Amount
Storay Weekly Magazine (Maimana).....	588.00	Claims on Moscow International Book Sellers....	70.00
Bedar Daily Paper (Mazar-i-Sharif).....	168.00	Iqtesad Monthly Magazine, Kabul.....	11,256.00
Wulangah Daily Paper (Paktia).....	140.00		
		GRAND TOTAL.....	12,222.00

Source: Above papers.

TABLE-EXCHANGE SYSTEM (1)-1

FREE MARKET EXCHANGE RATES OF FOREIGN CURRENCIES IN

KABUL MARKET (BAZAAR)

MONTHLY AVERAGES IN AFGHANIS

Calendar Data *	Solar Data	U. S. dollar	Pound Sterling	Indian Rupee	Pakistani Rupee
1954	1333				
March 21 to April 20	Hamal,1333	39.75	107.50	7.5500	6.0416
April 21 to May 21	Sawr,1333	41.75	111.00	7.7700	6.1783
May 22 to June 21	Jowza,1333	41.75	112.75	8.9833	6.1366
June 22 to July 22	Saratan,1333	42.00	116.50	8.1083	6.1716
July 23 to August 22	Asad,1333	42.87	116.25	8.1633	6.2000
August 23 to September 22	Sunbula,1333	42.87	115.50	8.1450	6.1216
September 23 to October 22	Mizan,1333	41.00	109.64	7.8716	6.0666
October 23 to November 21	Akrab,1333	41.50	109.50	8.2166	6.3816
November 22 to December 21	Kous,1333	42.25	111.50	8.5333	6.5416
December 22 to January 20,1955	Jady,1333	44.25	114.25	8.6800	6.7666
1955	1333/34				
January 21 to February 19	Dalw,1333	43.50	119.25	8.8200	7.2333
February 20 to March 20	Hoot,1333	41.87	117.75	8.7750	7.3100
March 21 to April 20	Hamal,1334	41.25	115.50	8.8833	7.2616
April 21 to May 21	Sour,1334	42.16	115.00	8.9750	7.3250
May 22 to June 21	Jowza,1334	42.41	115.58	8.8750	7.2416
June 22 to July 22	Saratan,1334	43.83	116.83	8.7416	7.3466
July 23 to August 22	Asad,1334	43.16	115.16	8.5750	7.2750
August 23 to September 22	Sunbula,1334	42.58	114.16	8.6750	7.3333
September 23 to October 22	Mizan,1334	42.79	116.16	8.7833	7.1900
October 23 to November 21	Akrab,1334	43.46	118.33	9.1700	7.3383
November 22 to December 21	Kous,1334	45.83	126.00	9.5166	7.6100
December 22 to January 20,1956	Jady,1334	49.08	135.50	9.9500	7.9583
1956	1334/35				
January 21 to February 19	Dalw,1334	52.83	142.16	10.3332	8.0000
February 20 to March 20	Hoot,1334	53.25	146.50	10.8416	8.1066
March 21 to April 20	Hamal,1335	51.00	142.00	10.7700	7.7240
April 21 to May 21	Sawr,1335	56.00	149.20	11.2720	7.8200
May 22 to June 21	Jowza,1335	57.64	155.28	11.5460	7.8780
June 22 to July 22	Saratan,1335	57.17	155.62	11.2980	7.9833
July 23 to August 22	Asad,1335	56.25	154.90	11.9666	7.6296
August 23 to September 22	Sunbula,1335	50.60	146.47	9.9916	7.1777
September 23 to October 22	Mizan,1335	52.37	141.00	9.9541	7.1733
October 23 to November 21	Akrab,1335	52.33	140.00	10.2019	7.4435
November 22 to December 21	Kous,1335	52.95	140.75	10.2291	7.5750
December 22 to January 20,1957	Jady,1335	54.65	144.50	10.9800	7.8280
1957	1335/36				
January 21 to February 19	Dalw,1335	54.65	146.42	10.2211	7.7038
February 20 to March 20	Hoot,1335	54.00	145.00	10.6326	7.5692
March 21 to April 20	Hamal,1336	54.00	145.00	10.3750	7.2250
April 21 to May 21	Sawr,1336	54.92	147.52	10.6320	7.2680
May 22 to June 21	Jowza,1336	55.70	149.70	11.0000	7.2351
June 22 to July 22	Saratan,1336	54.30	150.00	10.9782	7.0065
July 23 to August 22	Asad,1336	54.00	150.00	9.7240	6.6060
August 23 to September 22	Sunbula,1336	53.00	150.00	9.7895	6.5684
September 23 to October 22	Mizan,1336	53.00	150.00	9.6375	6.6395
October 23 to November 21	Akrab,1336	53.00	149.00	9.5800	6.6520
November 22 to December 21	Kous,1336	53.64	149.60	10.0160	6.9080
December 22 to January 20,1958	Jady,1336	54.62	150.00	10.5320	7.2104

(Continued)

TABLE - EXCHANGE SYSTEM(1) - 2

FREE MARKET EXCHANGE RATES OF FOREIGN CURRENCIES

IN KABUL MARKET (BAZAAR)

(MONTHLY AVERAGES IN AFGHANIS)

Calendar Data	Solar Data	U. S. dollar	Pound Sterling	Indian Rupee	Pakistani Rupee
1958	1336/37				
January 20 to February 18	Dalw,1336	56.04	152.69	11.2692	7.4192
February 19 to March 19	Hoot,1336	56.19	154.92	11.4000	7.4400
March 21 to April 20	Hamal,1337	56.16	155.00	11.3750	7.2025
April 21 to May 21	Sawr, 1337	58.77	160.92	11.5769	7.2711
May 22 to June 21	Jowza,1337	60.00	166.85	11.6865	7.1365
June 22 to July 22	Saratan,1337	59.08	166.50	11.3375	7.0541
July 23 to August 22	Assad,1337	57.50	160.44	10.5720	6.7400
August 23 to September 22	Sunbula,1337	56.54	155.00	10.1421	6.7025
September 23 to October 22	Mizan,1337	54.32	151.00	9.8560	6.5560
October 23 to November 21	Akrab,1337	52.43	145.37	9.6480	7.2960
November 22 to December 21	Kous,1337	52.50	145.00	9.7731	7.4788
December 22 to January 20	Jady,1337	51.73	145.00	9.8307	7.6673
1959	1337/38				
January 21 to February 19	Dalw,1337	50.84	137.31	9.8769	7.4231
February 20 to March 21	Hoot,1337	50.92	137.50	10.0666	7.2229
March 22 to April 21	Hamal,1338	51.53	135.00	10.3430	7.0500
April 22 to May 22	Sawr,1338	51.44	137.57	9.4269	6.7653
May 23 to June 22	Jowza,1338	49.41	139.05	9.1205	6.5045
June 23 to July 23	Saratan,1338	46.96	129.56	8.3000	6.0060
July 24 to August 23	Assad,1338	45.00	125.00	8.0080	5.9440
August 24 to September 23	Sunbula,1338	44.00	123.00	7.9222	5.9972
September 24 to October 23	Mizan,1338	44.37	124.88	7.4840	5.9000
October 24 to November 22	Akrab,1338	43.63	121.69	7.2192	5.8596
November 23 to December 22	Kous,1338	45.94	126.92	8.2640	6.1860
December 23 to January 20	Jady,1338	49.96	139.16	8.8280	6.2168
1960	1338/39				
January 21 to February 19	Dalw,1338	46.04	127.52	7.9500	5.8833
February 20 to March 20	Hoot,1338	41.92	114.60	7.3280	5.6736
March 21 to April 20	Hamal,1339	43.30	118.57	6.5935	5.7979
April 21 to May 21	Sawr,1339	43.92	121.80	6.5577	5.7912
May 22 to June 21	Jowza,1339	41.40	117.50	6.0917	5.5100
June 22 to July 22	Saratan,1339	39.96	109.87	5.7500	5.3058
July 23 to August 22	Assad,1339	40.31	109.00	5.9963	5.4010

* Beginnings and ends of calendar months are approximate.

Table - Foreign Trade (1)

EXPORTS BY COMMODITY GROUPS

(IN AFGHANIS)

SITC Code		Commodity Groups	Value in Afghanis 1336	Value in Afghanis 1337
013	....	Casings and sheep kidnies	60,181,953	33,056,936
029	....	Dairy products	-	106,325
051	....	Fresh fruits	144,502,540	193,450,162
052	.....	Dried fruits	531,202,309	576,196,706
054	....	Fresh vegetables	9,597,644	556,353
055	....	Dried vegetables	1,014,113	345,673
075	....	Seeds and spices	70,233,421	36,291,826
122	....	Tobacco	-	13,310
211	....	Skins and hides (untanned)	54,846,872*	46,570,342
212	....	Furs	446,235,817	471,902,204
262	....	Wool	215,010,836	117,500,129
263	....	Raw cotton	319,164,452	137,950,308
292	....	Planting seeds	1,132,568	1,977,200
541	....	Medicinal herbs	30,689,836	37,341,187
611	....	Tanned leather	-	832,712
652	....	Fabrics	1,242,445	1,400
653	....	Woollen fabrics	-	89,950
657	....	Carpets and rugs	96,005,074	63,517,403
666	....	Beets	-	3,300
672	....	Stones	715,416	4,760,350
721	....	Mill stones	-	267,913
921	....	Live animals (not for food)	21,986	2,250
999	.....	Unspecified	2,690,885	-
		Grand total	1,984,488,167	1,722,733,939

* SITC Code 611 is included in this total.

Table - Foreign Trade (2)
EXPORTS BY COUNTRY OF SALE
(IN AFGHANIS)

Code No.	Country of Sale	Value in Afghanis 1336	Value in Afghanis 1337
11	India	580,252,239	614,588,997
12	Pakistan	96,536,232	100,883,962
13	U.S.S.R.	455,817,520	294,467,157
14	U.S.A.	336,122,823	367,452,253
15	U.K.	254,782,693	202,045,779
16	Germany	117,749,171	90,068,146
17	Japan	1,053,675	-
18	China	14,700	346,773
19	Czechoslovakia	111,939,138	11,768,356
21	Iran	368,713	187,180
22	Bahrain	158,800	293,430
24	Egypt	250,103	481,619
25	France	823	-
26	Hongkong	-	250,075
27	Iraq	88,000	249,200
28	Italy	472,500	799,200
29	Lebanon	7,587,376	9,681,832
31	Netherlands	8,329,454	4,070,880
32	Saudi Arabia	583,290	704,400
33	Singapore	3,557,660	3,473,093
34	Sweden	270,000	179,400
35	Switzerland	287,100	10,630,797
36	Syria	241,080	439,950
38	Poland	5,318,730	204,440
39	Belgium	-	3,479,932
42	Hungary	-	335,100
47	Kenya	518,571	791,638
48	Austria	2,187,776	4,268,696
51	Canada	-	41,240
53	Greece	-	2,730
99	Other countries	-	547,684
	Grand total	1,984,488,167	1,722,733,939

Table.- Foreign Trade (3)

EXPORTS BY COMMODITY GROUPS
(BY QUANTITY)

SITC Code	Commodity Groups	Quantity Units	Quantity 1336	Quantity 1337
013	.....Casings and sheep kidnies	Coils	2,210,259	1,493,948
029	.....Dairy products	Kilos	-	93,030
051	.....Fresh fruits	Kilos	31,497,932	32,440,726
052	.....Dried fruits	Kilos	27,400,971	32,889,962
054	.....Fresh vegetables	Kilos	1,308,033	124,997
055	.....Dried vegetables	Kilos	126,362	31,570
075	.....Seeds and spices	Kilos	11,986,716	6,491,655
122	.....Tobacco	Kilos	-	1,705
211	.....Skins and hides(untanned)	Skins	1,433,977	1,264,043
212	.....Furs	Skins	2,892,304	2,027,756
262	.....Wool	Kilos	6,972,629	5,398,630
263	.....Raw cotton	Kilos	17,706,756	7,018,384
292	.....Planting seeds	Kilos	149,251	256,208
541	.....Medicinal herbs	Kilos	1,243,511	2,129,245
611	.....Tanned leather	Skins	62,793	28,834
652	.....Fabrics	Kilos ..... Metres	34,968 462	100 -
653	.....Woolen fabrics	Kilos	-	4,566
657	.....Carpets and rugs	Sq.metres.....	239,050	139,938
666	.....Beets	Numbers	-	560
672	.....Stones	Numbers ..... Kilos	242* 400*	- 2,473
721	.....Mill stones	Numbers	-	7,310
921	.....Live animals(not for food)	Numbers.....	84	28
999	.....Unspecified	Kilos ..... Numbers	268,118 2,054	- -

* SITC code 721 is included in this.

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Table - Foreign Trade (4)

IMPORTS BY COMMODITY GROUPS IN AFGHANIS

SITC Code	Commodity Groups	Value in Afghanis 1336	Value in Afghanis 1337
0	Food	295,144,634	490,816,631
1	Beverages and Tobacco	7,478,621	25,962,796
2	Crude materials, inedible except fuels.	2,930,923	2,194,827
3	Mineral fuels, lubricants and related materials	139,496,073	154,953,719
4	Animal and Vegetable Oils and fats	353,689	525,427
5	Chemicals	49,093,762	83,020,559
6	Manufactured goods classified chiefly by material	1,068,553,691	1,168,926,872
7	Machinery and transport equipment	220,151,138	413,043,578
8	Miscellaneous manufactured articles	177,092,470	187,359,794
9	Miscellaneous transactions and commodities N.E.S.*	5,973,821	6,763,126
	Grand total	1,966,268,822	2,532,767,329

* : N.E.S. stands for Not Elsewhere specified.

Table - Foreign Trade (5)

IMPORTS BY COUNTRY IN AFGHANIS

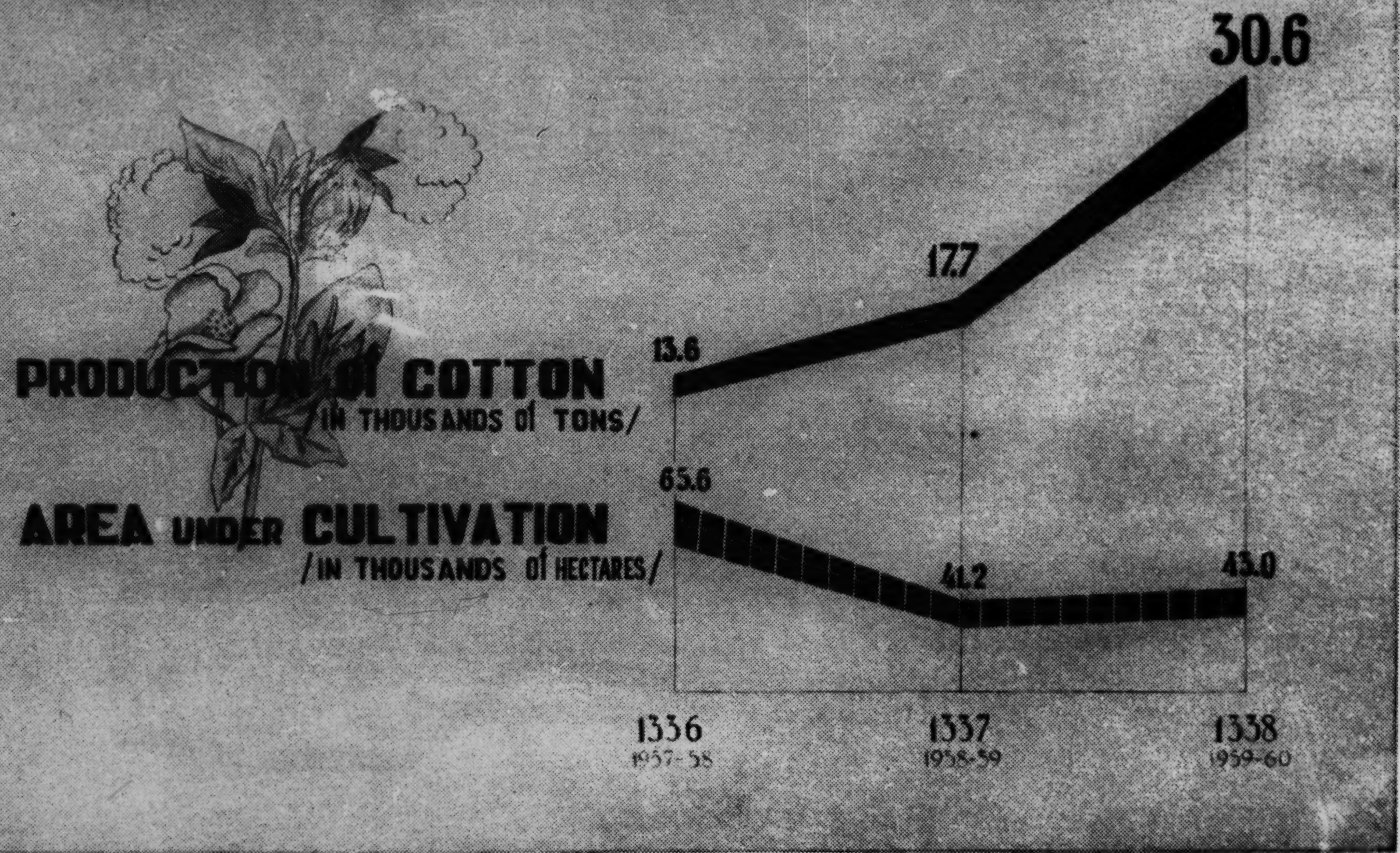
Code No.	Country of Purchase	Value in Afghánis 1336	Value in Afghánis 1337
11	India	214,923,956	313,009,508
12	Pakistan	406,170,744	208,789,090
13	U.S.S.R.	606,679,181	685,445,002
14	U.S.A.	150,972,424	477,040,617
15	U.K.	53,031,876	72,774,560
16	Germany	69,311,896	107,489,709
17	Japan	353,826,749	493,243,769
18	China	10,080,473	23,672,253
19	Czechoslovakia	20,630,816	62,524,630
21	Iran	4,762,265	2,309,194
22	Bahrain	3,239,103	5,841,686
23	Denmark	183,203	198,260
24	Egypt	46,481	-
25	France	2,587,929	4,429,555
26	Hongkong	695,862	1,744,866
27	Iraq	431,376	524,765
28	Italy	20,178,839	33,554,108
29	Lebanon	6,109,619	5,403,568
31	Netherlands	8,282,905	12,006,843
32	Saudi Arabia	20,000	146,910
33	Singapore	155,328	693,754
34	Sweden	1,110,163	1,223,086
35	Switzerland	8,278,382	8,176,068
36	Syria	346,103	-
37	Turkey	-	366,995
38	Poland	9,004,556	6,242,813
39	Belgium	2,589,819	3,136,173
41	Burma	338,230	214,972
42	Hungary	2,102,546	1,055,412
44	Malaya	143,056	301,113
45	U.A.R.	-	336,649
46	Australia	191,580	191,516
48	Austria	528,624	332,543
49	Spain	21,708	32,208
51	Canada	-	34,783
52	Tunisia	-	75,768
53	Greece	-	18,414
99	Unspecified	9,293,030	186,169
	Grand total	1,966,268,822	2,532,767,329

Table - Foreign Trade (B)

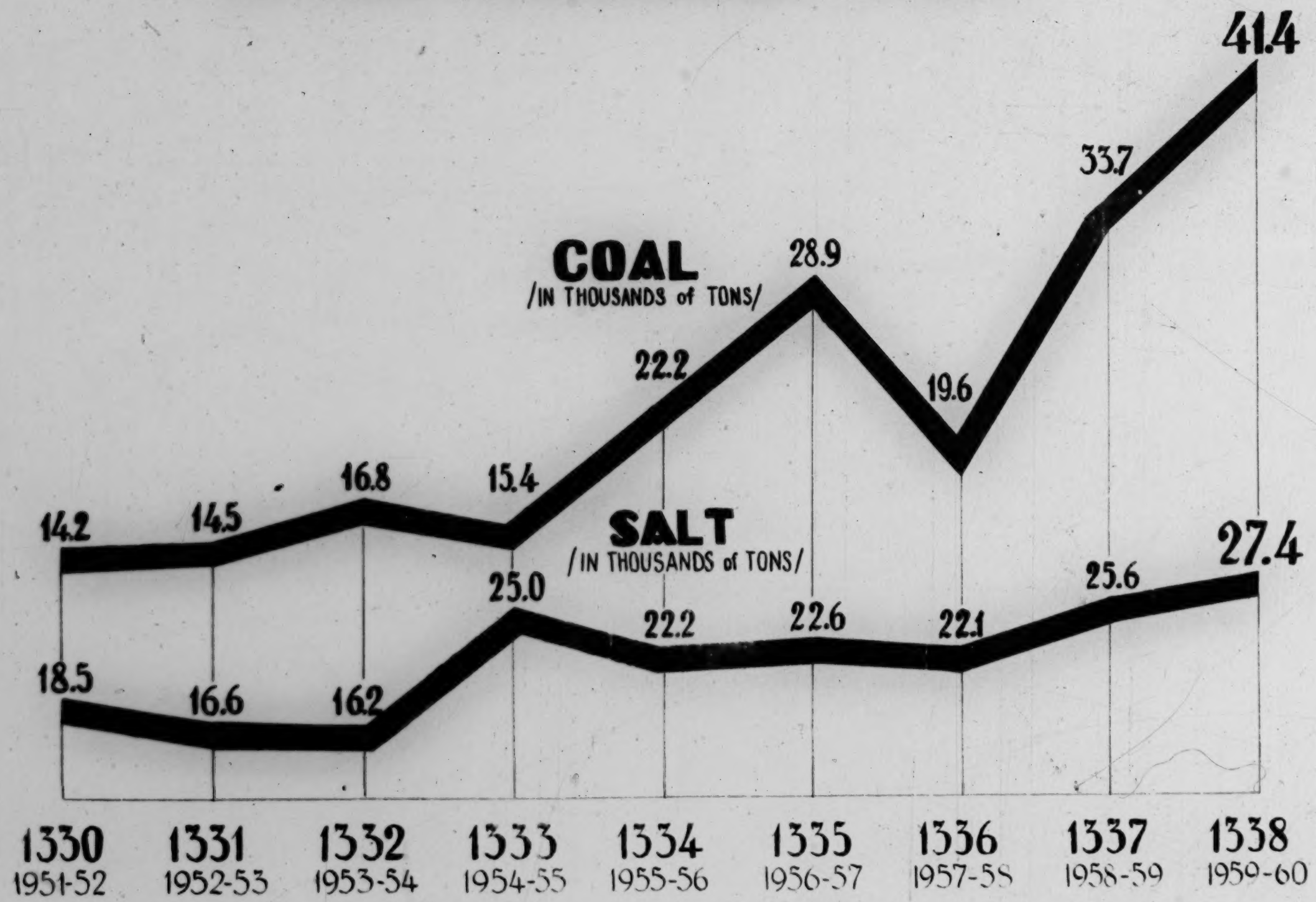
IMPORTS BY COUNTRIES IN GERMANY

	Quantity of Purchase	Value in Kilograms	
		1976	1977
India		274,829,460	375,009,529
Pakistan		406,170,744	508,789,090
U.S.S.R.		606,673,187	689,465,002
U.S.A.		450,972,424	572,040,617
U.K.		55,031,276	72,774,560
Germany		69,315,896	107,489,700
Japan		573,826,749	675,243,760
Ghana		70,068,473	83,672,253
Czechoslovakia		50,630,816	52,324,630
Iran		2,752,265	2,309,194
Belgium		5,219,105	5,841,685
Denmark		183,203	108,260
Egypt		56,483	-
France		2,587,924	4,429,555
Hong Kong		540,862	1,740,860
Italy		421,376	524,750
Japan		20,728,849	23,574,108
Lebanon		5,109,819	5,405,568
Netherlands		8,282,903	12,006,843
Saudi Arabia		20,000	146,910
Singapore		155,358	593,734
Sweden		1,720,163	1,223,099
Switzerland		8,279,382	8,176,068
Syria		246,103	-
Turkey		-	366,993
Poland		8,004,556	6,242,813
Belgium		2,590,819	3,136,173
Malta		144,230	204,972
Hungary		6,300,648	1,059,442
Malaya		443,055	507,173
M.A.R.		-	156,949
Australia		191,530	194,516
Austria		528,624	332,543
Spain		24,708	42,208
Canada		-	34,283
Tunisia		-	73,242
Greece		-	14,341
Unspecified		9,293,030	186,157
Grand total		7,966,208,822	2,532,927,529

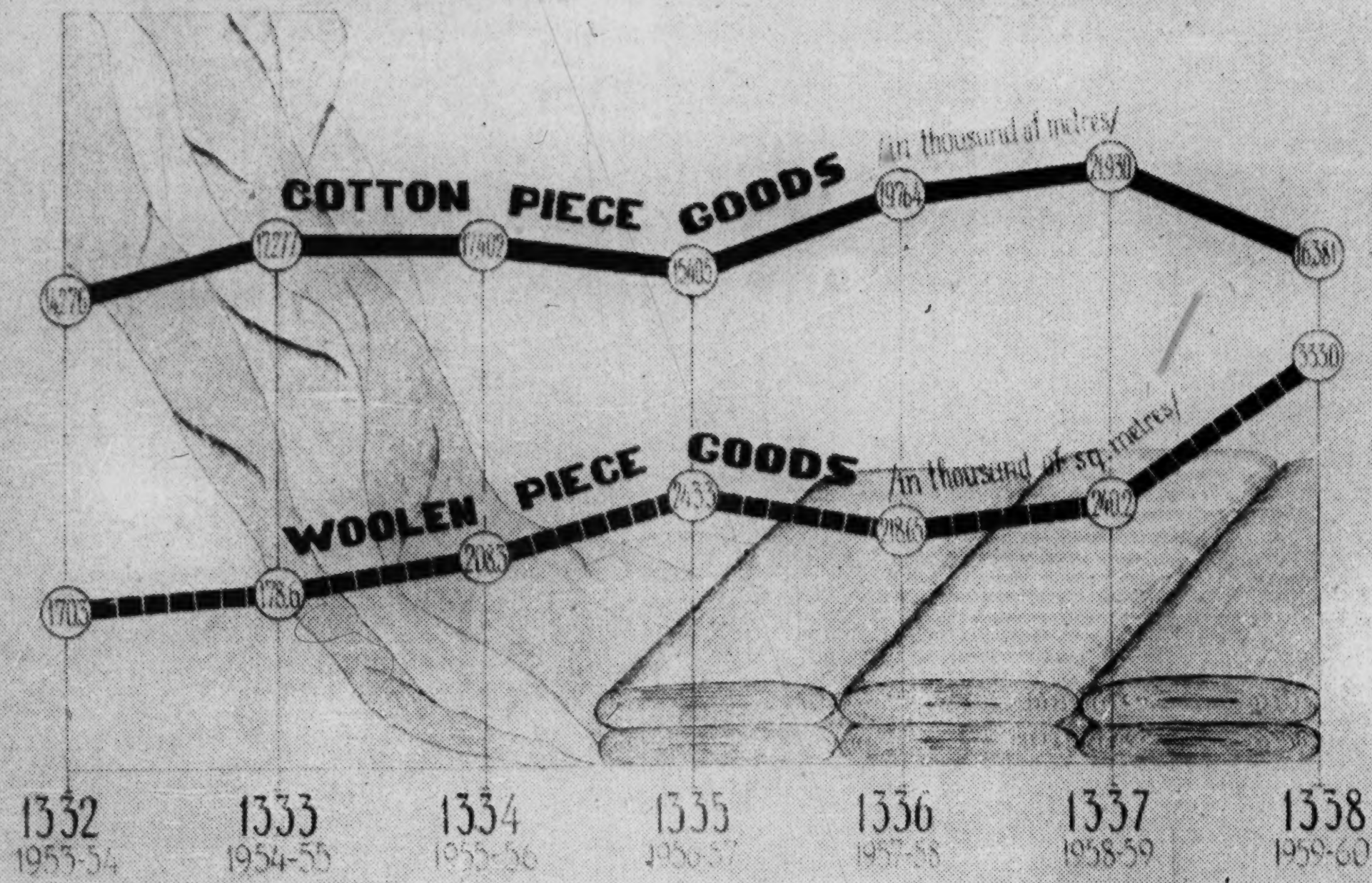
PRODUCTION of COTTON AND AREA UNDER CULTIVATION IN AFGHANISTAN



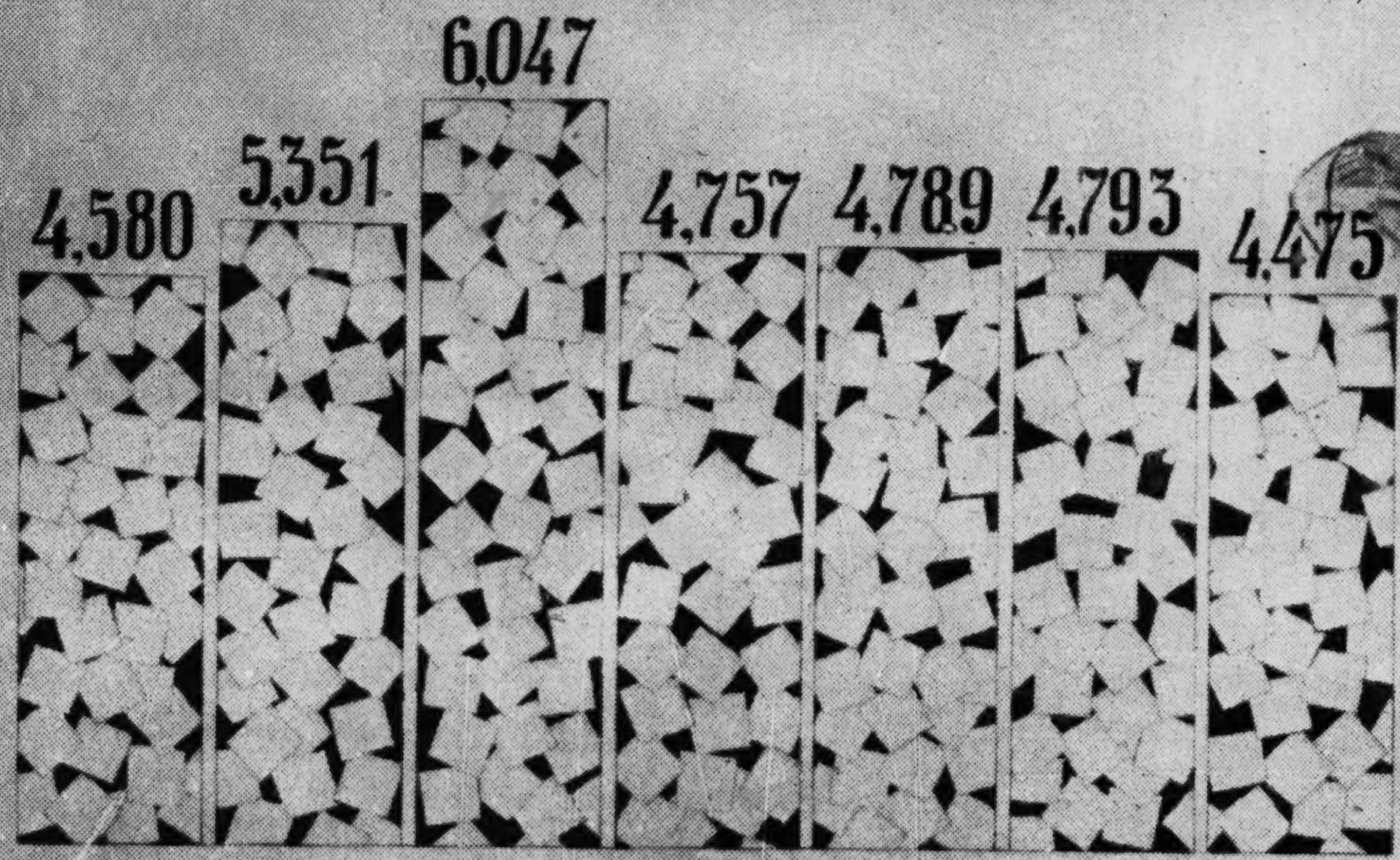
MINERAL PRODUCTION in AFGHANISTAN

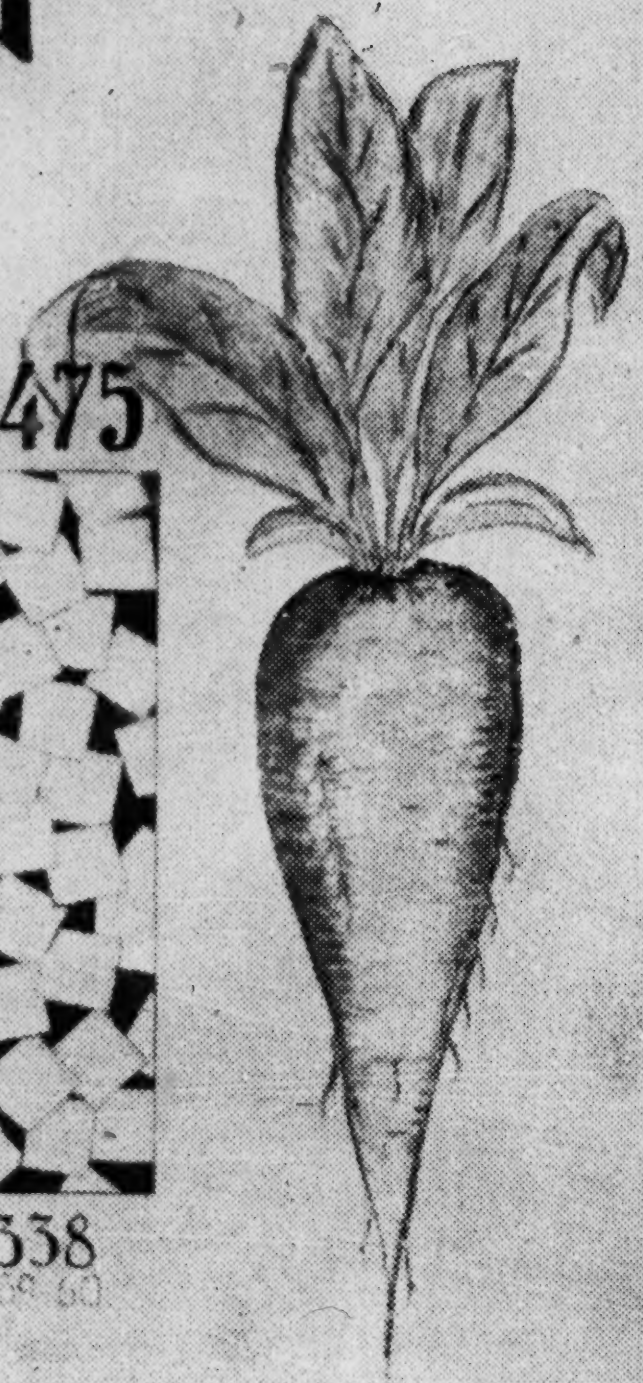


PRODUCTION of COTTON AND WOOLEN PIECE GOODS IN AFGHANISTAN

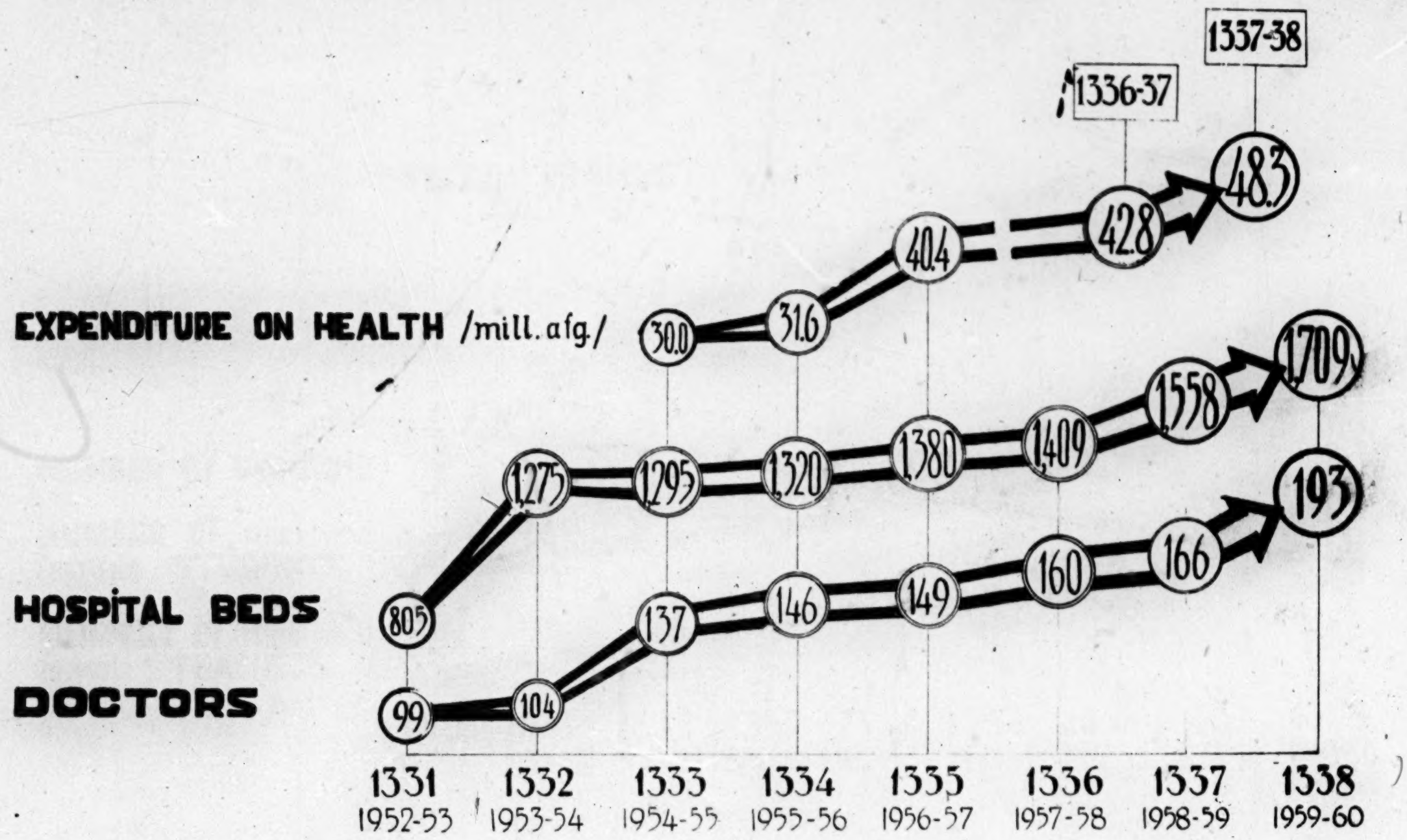


PRODUCTION of crystal SUGAR /TONS/ IN AFGHANISTAN

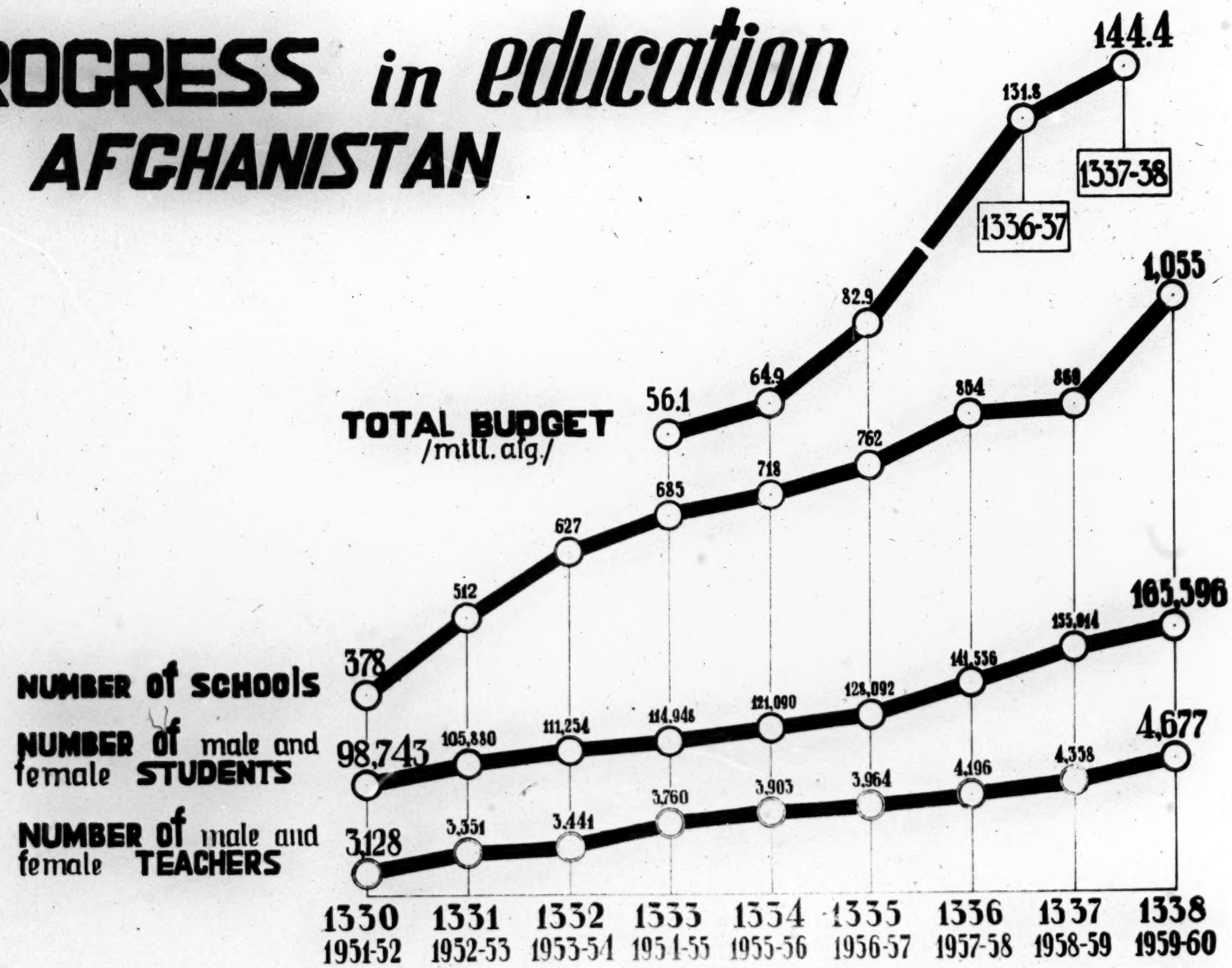




PROGRESS of HEALTH in afghanistan

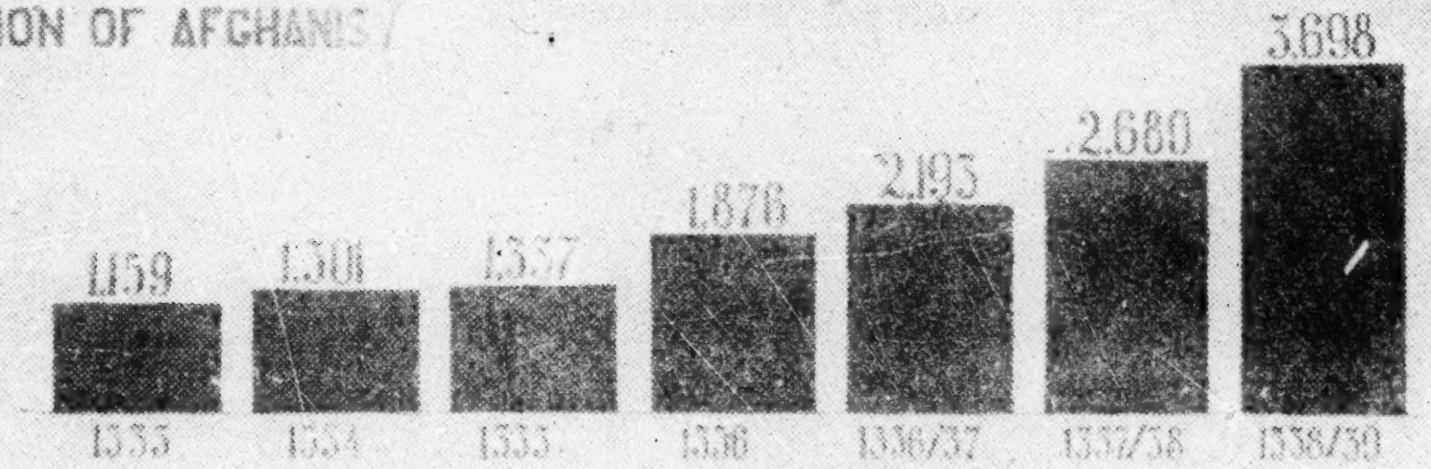


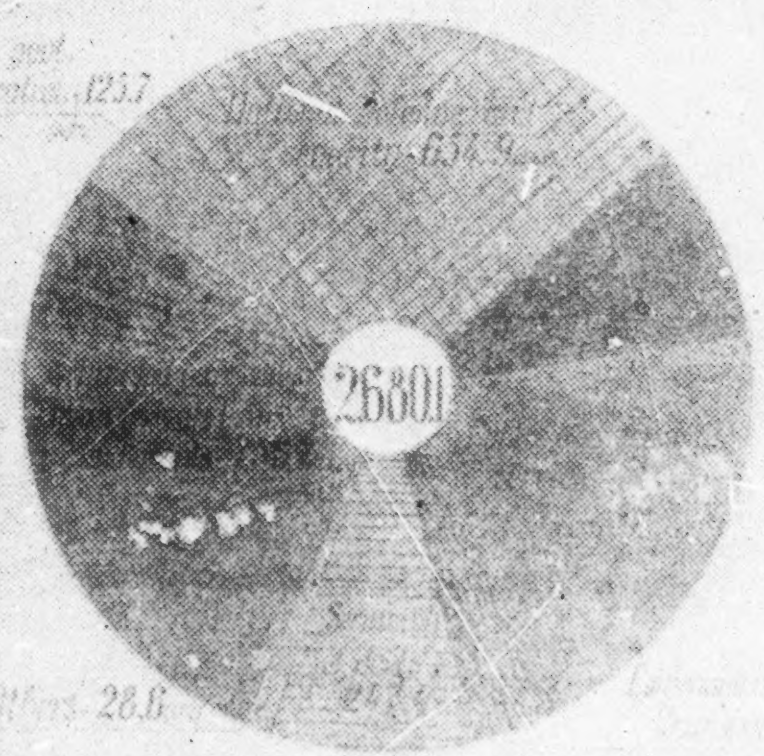
PROGRESS in education in AFGHANISTAN



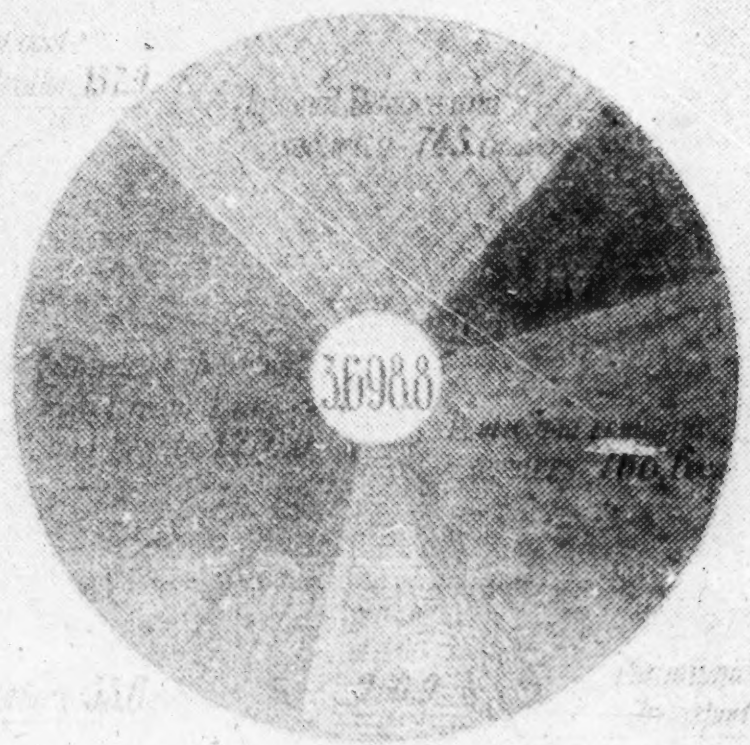
ESTIMATED PUBLIC EXPENDITURE

/IN MILLION OF AFGHANIS/





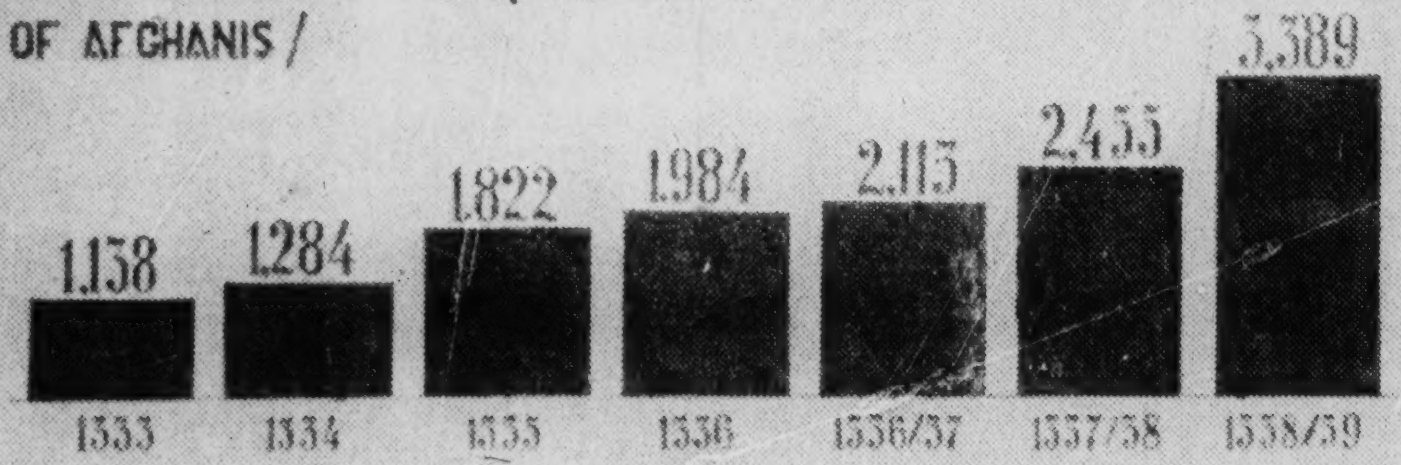
1537/38



1538/39

ESTIMATED PUBLIC REVENUE

/IN MILLION OF AFGHANIS/



1337/38

Revenue from use of property and services - 46.8

Revenue from income taxes and fees - 44.5

Revenue from use of property and money - 32.8

Revenue from sale of property and services - 43.9

Revenue from income taxes and fees - 38.6

Revenue from use of property and money - 55.0

Revenue from govt. enterprise - 40.5

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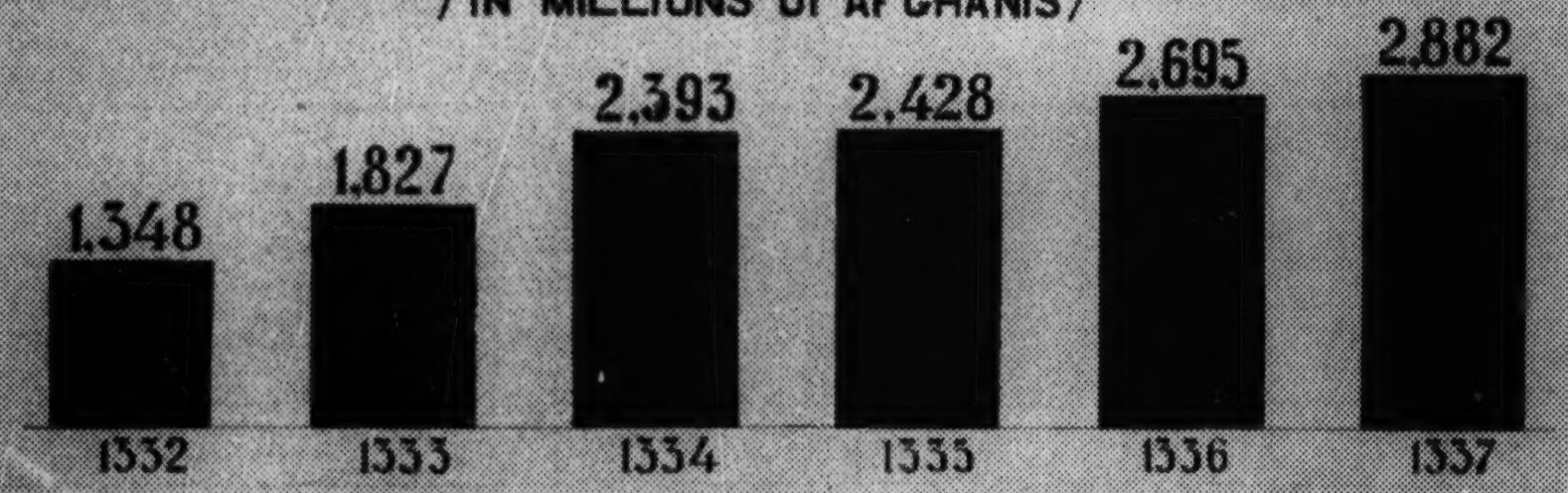
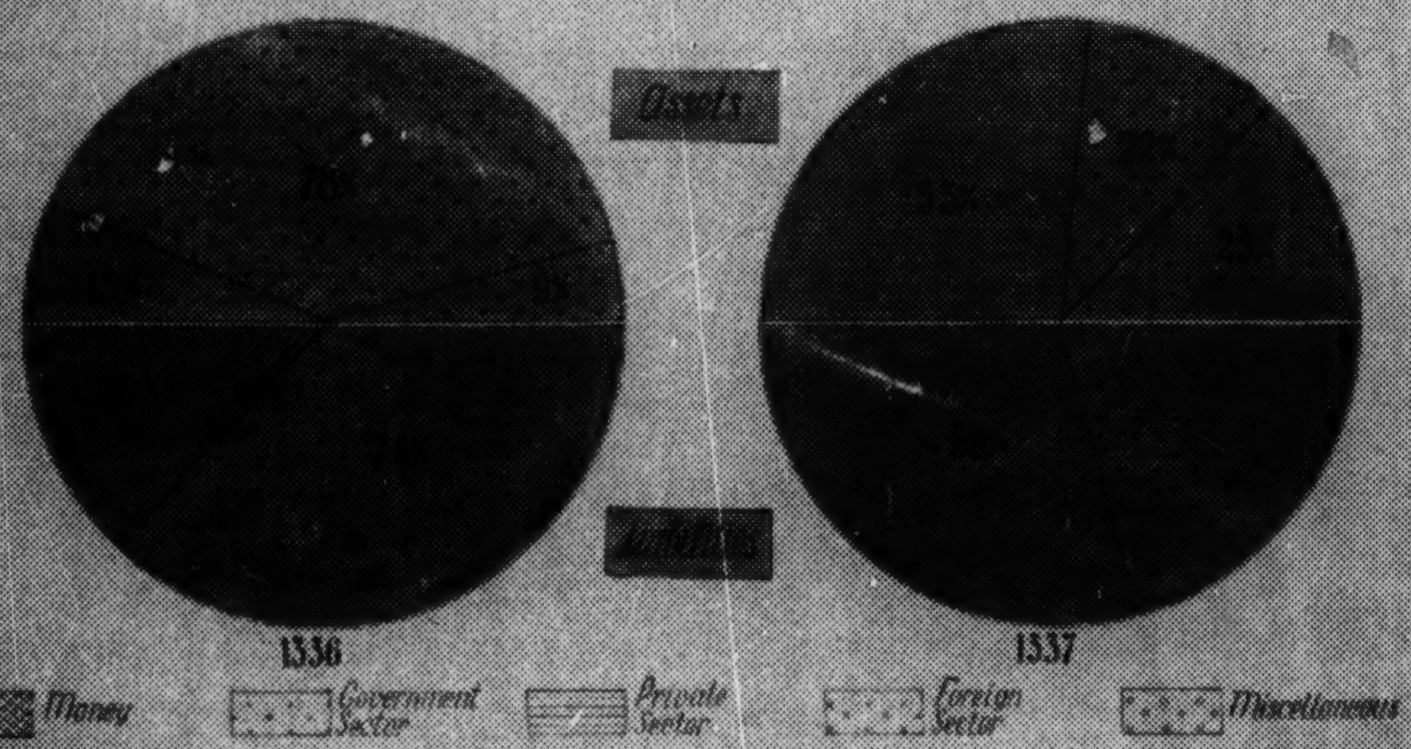
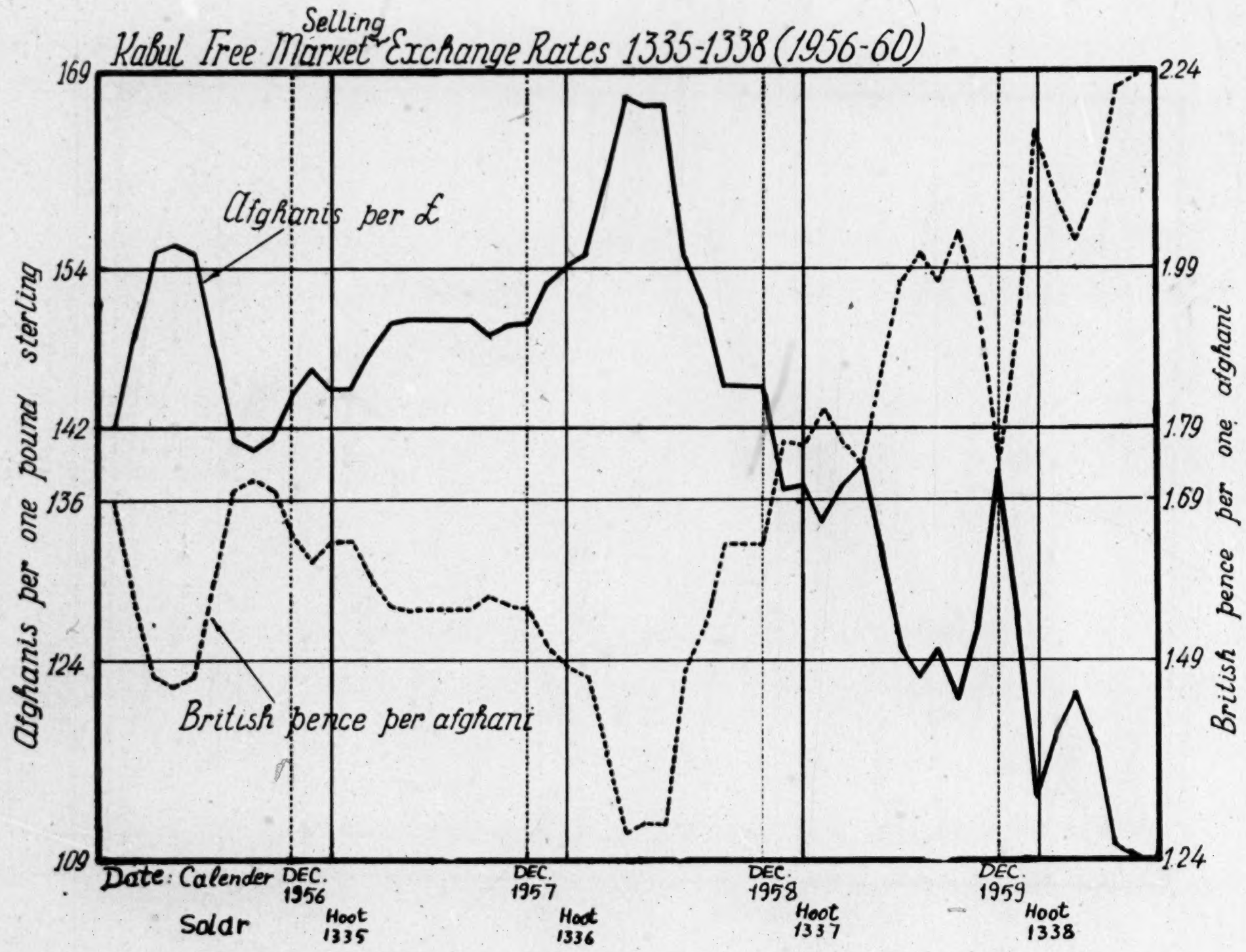
TOTAL MONEY SUPPLY

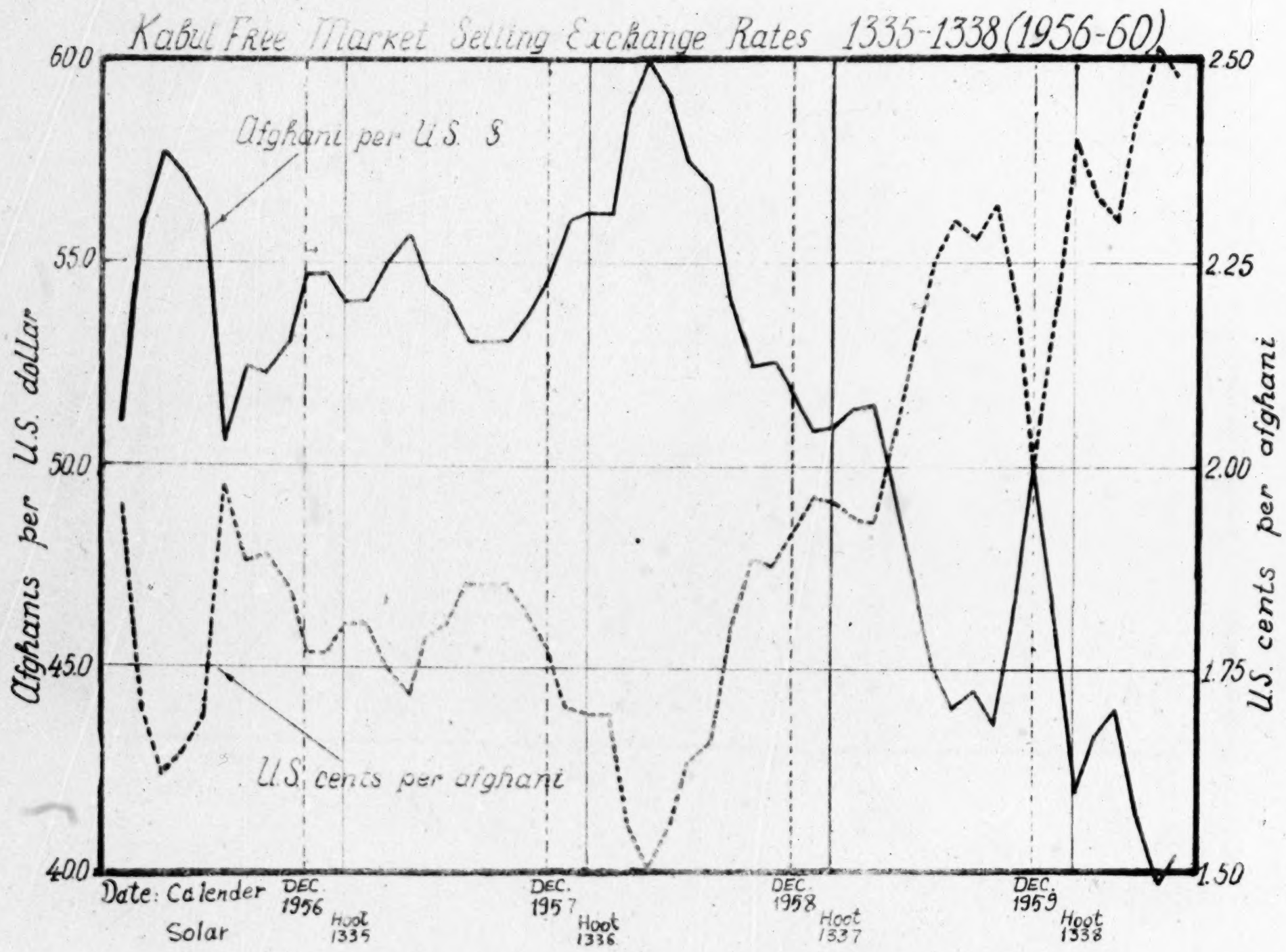
/IN MILLIONS OF AFGHANIS/

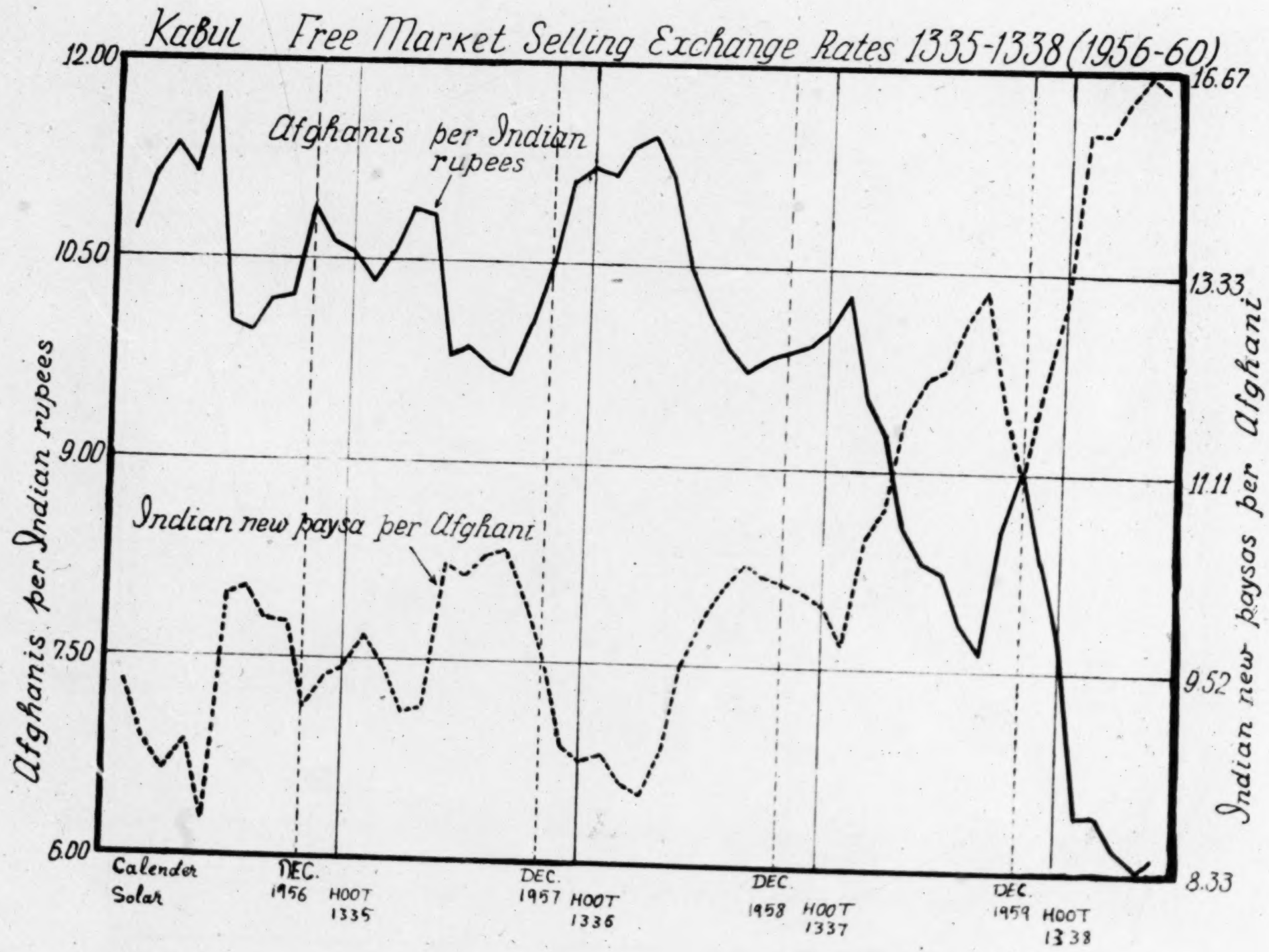


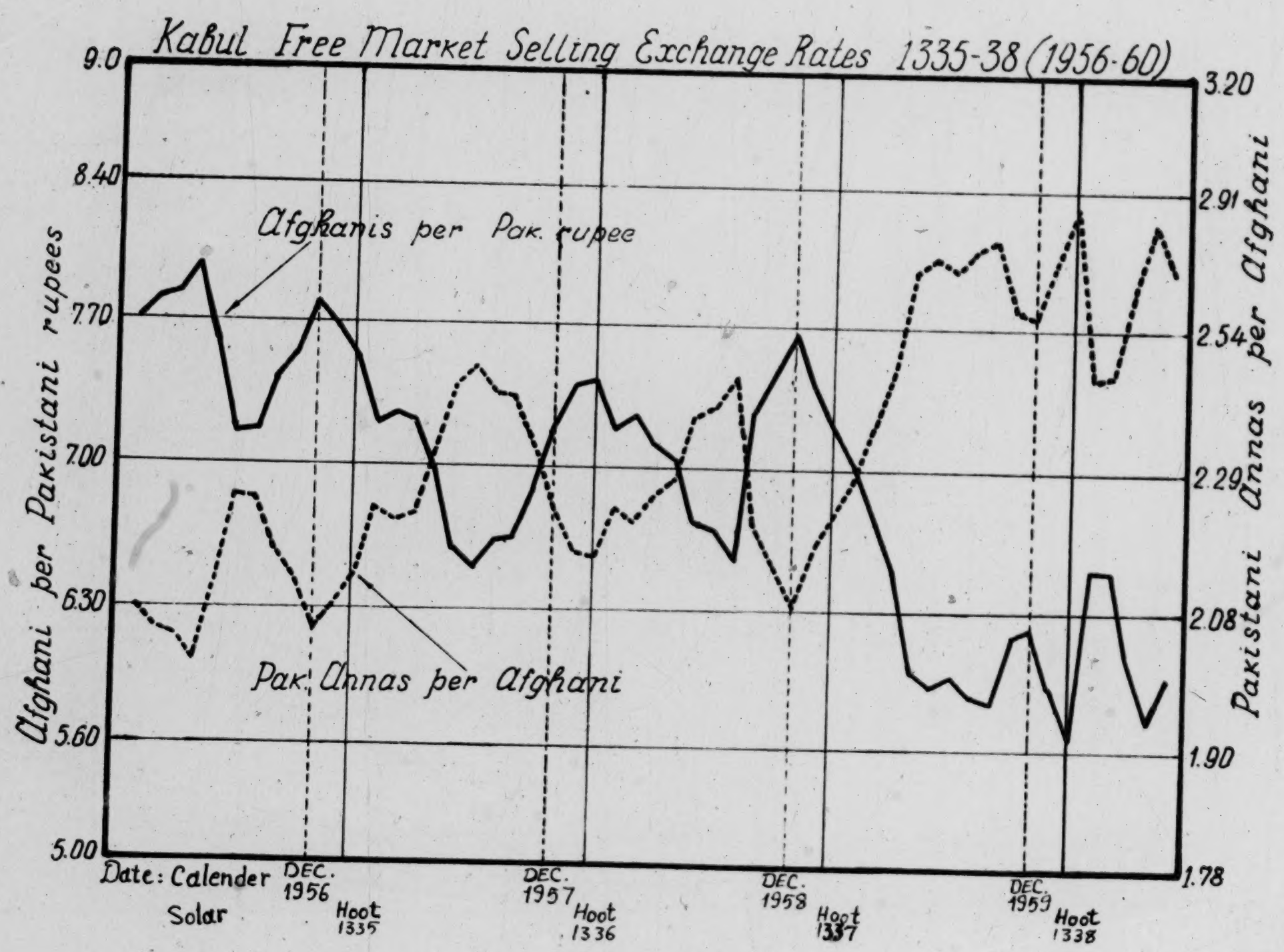
CHANGES IN ASSETS AND LIABILITIES OF THE BANKING SYSTEM

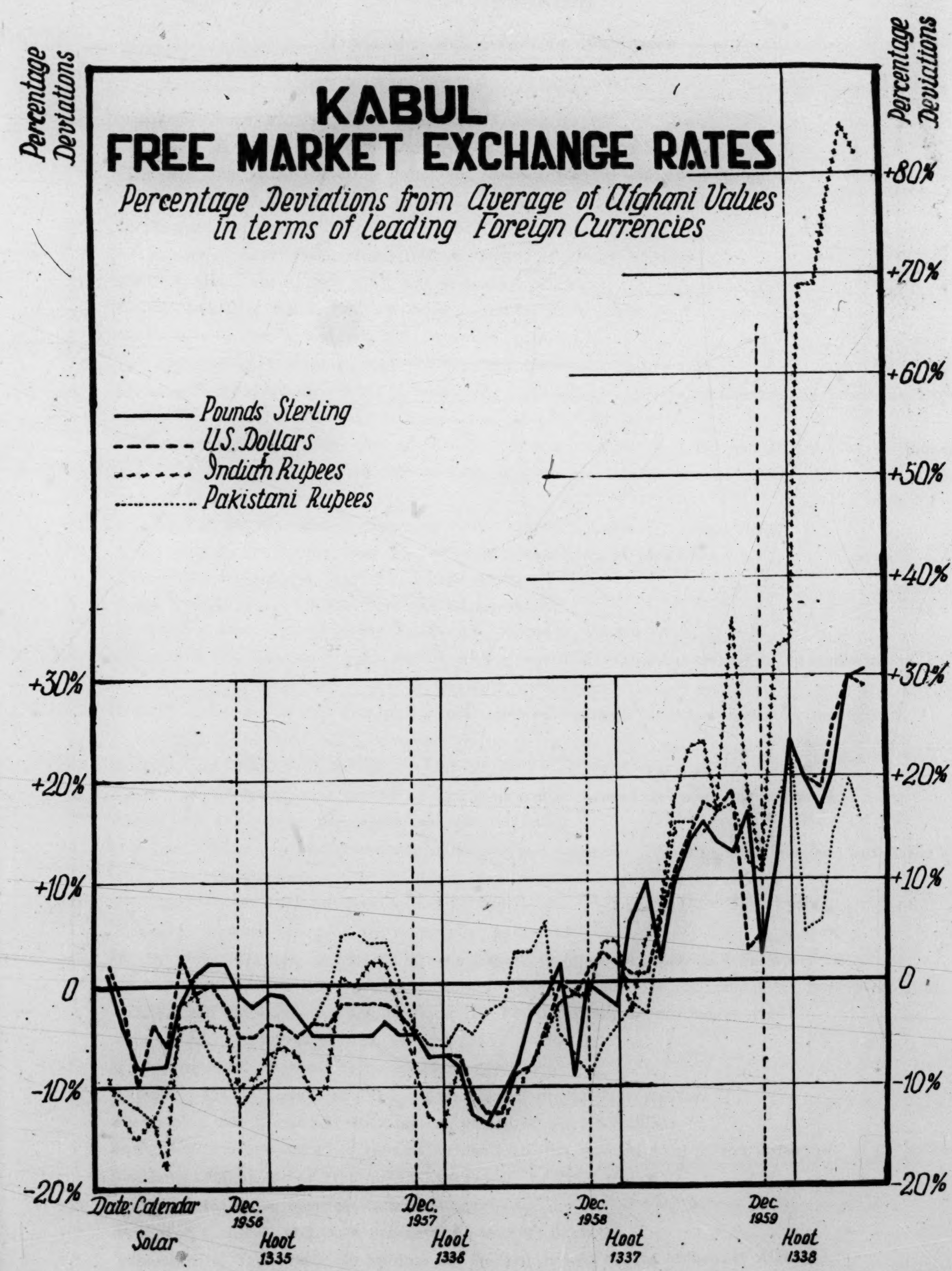



Kabul Free Market Selling Exchange Rates 1335-1338 (1956-60)
Afghanis per £
British pence per afghani
Afghanis per one pound sterling
British pence per one afghani
169
154
142
136
124
109
2.24
1.99
1.79
1.69
1.49
1.24
Date: Calender
Solar
DEC. 1956
Hoot 1335
DEC. 1957
Hoot 1336
DEC. 1958
Hoot 1337
DEC. 1959
Hoot 1338


Kabul Free Market Selling Exchange Rates 1335-1338 (1956-60)
Afghani per U.S. $
U.S. cents per afghani
Afghanis per U.S. dollar
U.S. cents per afghani
60.0
55.0
50.0
45.0
40.0
2.50
2.25
2.00
1.75
1.50
Date: Calender
Solar
DEC. 1956
Hoot 1335
DEC. 1957
Hoot 1336
DEC. 1958
Hoot 1337
DEC. 1959
Hoot 1338


Kabul Free Market Selling Exchange Rates 1335-1338 (1956-60)
Afghanis per Indian rupees
Indian new paysa per Afghani
Afghanis per Indian rupees
Indian new paysas per Afghani
12.00
10.50
9.00
7.50
6.00
16.67
13.33
11.11
9.52
8.33
Calender
Solar
DEC. 1956
HOOT 1335
DEC. 1957
HOOT 1336
DEC. 1958
HOOT 1337
DEC. 1959
HOOT 1338


Kabul Free Market Selling Exchange Rates 1335-38 (1956-60)
Afghanis per Pak. rupee
Pak. Annas per Afghani
Afghani per Pakistani rupees
Pakistani Annas per Afghani
9.0
8.40
7.70
7.00
6.30
5.60
5.00
3.20
2.91
2.54
2.29
2.08
1.90
1.78
Date: Calender
Solar
DEC. 1956
Hoot 1335
DEC. 1957
Hoot 1336
DEC. 1958
Hoot 1337
DEC. 1959
Hoot 1338


KABUL
FREE MARKET EXCHANGE RATES
Percentage Deviations from Average of Afghani Values in terms of leading Foreign Currencies
Pounds Sterling
U.S. Dollars
Indian Rupees
Pakistani Rupees
Percentage Deviations
Percentage Deviations
+80%
+70%
+60%
+50%
+40%
+30%
+20%
+10%
0
-10%
-20%
+30%
+20%
+10%
0
-10%
-20%
Date: Calendar
Solar
Dec. 1956
Hoot 1335
Dec. 1957
Hoot 1336
Dec. 1958
Hoot 1337
Dec. 1959
Hoot 1338

Corrigendum

Omissions and Errors in Substance

Page

iii Explanatory Notes, add: 14. 1 jerib equals 0.4824 acres.

7 After code 22 , read: 23 Middle Schools, instead of: 24 Boarding Schools.

8 First paragraph on the University Center, last sentence, read: is under way, instead of: has been completed.

13 Under code 111, read: will be half completed, instead of: will be completed.

15 In paragraph on Training in column 1, read: 80%, instead of: 50%.

19 Under code 21, read: Public Health Institute, instead of: Health Building.

21 Under Projects, line 9, read: work was, instead of: was work.
Under code 212, line 3, read: epidemiology, instead of: eppdinology.

25 Under code 33, line 9, read: repaired, instead of: prepared.

30 Large date under Performance, read: 19 July 1960, instead of: 19 July 1690.

32 Under code 7, in columns 3 and 4, insert: Af 129,800.00 twice. In consequence the revised total of column 3 is: Af 6,250.324.95 and of column 4 is: Af 11,442,380.74.

38 Delete present figures under code 321. Insert: 50,000 dollars, Af 1,617,500 and Af 1,617,500 in columns 1, 2 and 4 respectively. In consequence the totals of these three columns become: 109,538 dollars, Af 4,965,534 and Af 5,459,519 respectively.

41 In second to last line in first column, read: for electricity, instead of: or electricity.

50 Under code 23, last column, read: Af 150,073,955, instead of: Af 15,073,955.

51 Under code 29, 3rd part, read: 3%, instead of: 30%.

54 Under Electric Power, 7th line from end, insert: 4%.
In last line, read: approximately 120,000 KW, instead of: 140,000 KW.

58 Under code 27, lines 4—5, read: expert who had worked in Qandahar and of the management, instead of: experts who had worked in Qandahar management.

72 Under Training, end of first paragraph, read: agricultural science, instead of agriculture and Science.

73 Under code 25, b, delete: 28% increase.

77 In Title, read: Third Year, instead of: First Six Months of the Fourth Year.

80 Under code 87, line 2, read: because of lack of personnel, instead of: because of personnel.

82 Under code 4531, second line, delete: 453 The laboratory.

101 For last sentence, read: Experimental planting has been successful. Linseed, ground nuts and saff flower are also being planted experimentally to improve their varieties.

124 Paragraph 64, line 15, read: now, instead of: not.

127 Paragraph 91, lines 5 - 6, after the word "also" insert: not.

146 In the table, 1336 line, for number of male students in thousands, read: 21.7, instead of 12.7.

148 In the second table, last two columns, numbers of graduates for 1336, 1337 and 1338 respectively, read: 125, 136 and 208, instead of 128, 148 and 127. For the corresponding indices, read: 162, 177 and 270, instead of: 166, 192 and 255.

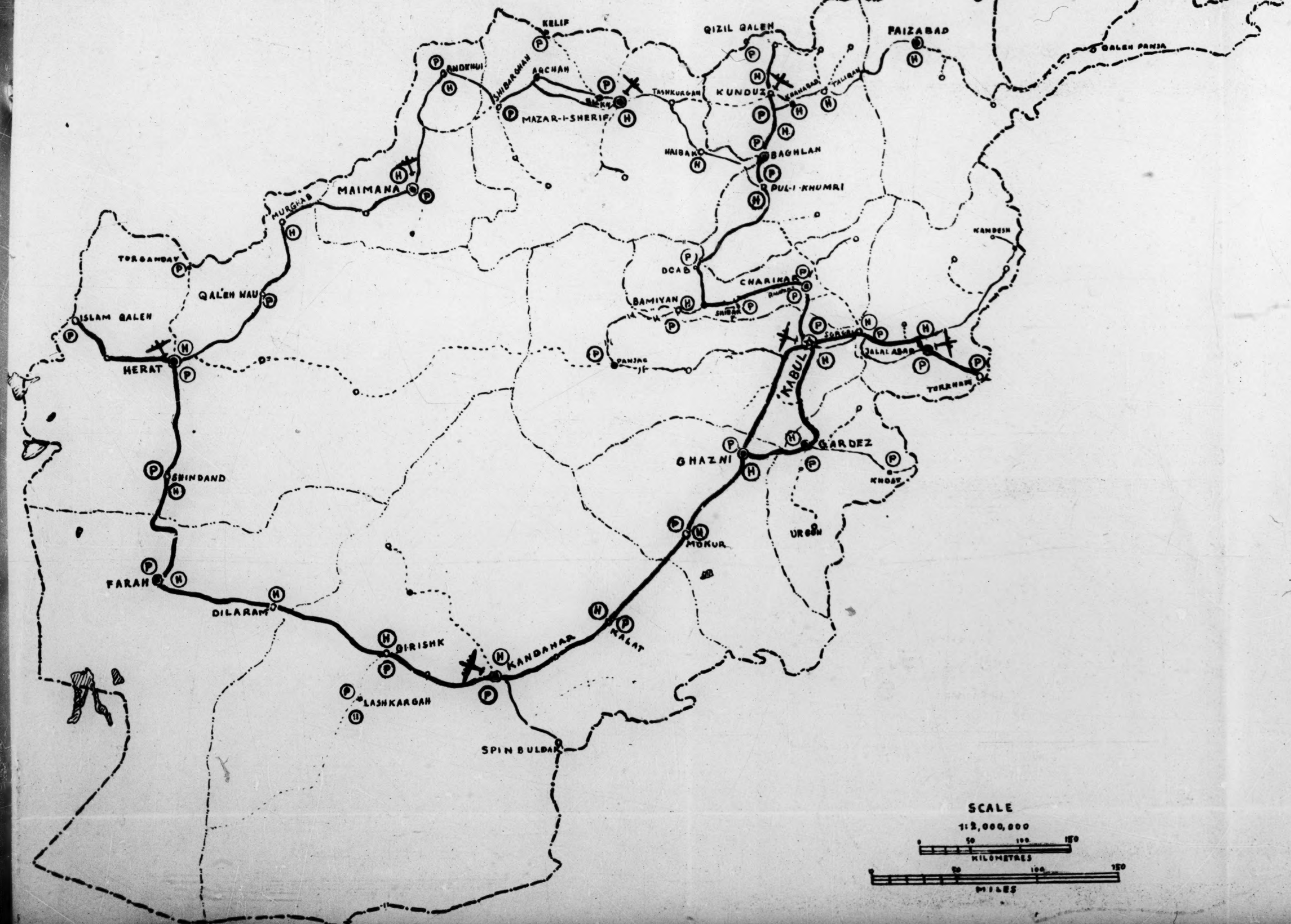
153 End of paragraph 58, read: 1338, instead of : 1339.

156 Paragraph 4, line 4, read: Af 187.0 million, instead of: Af 218.7 milllion.
Paragraph 5, line 3, read: Af 318.7 million, instead of: Af 218.7 million.
In the table in column 1, for Net Increase in Other Liabilities, read: Af 131.7 million, instead of: Af 31.7 million.
For both totals read: Af 318.7 million, instead of: Af 218.7 million.

159 Paragraph 25, line 4, read: no, instead of: an.

163 Paragraph 4, line 5, read: to a decline of, instead of: down to.

171 Subheading of Table, read: (In Millions of Dollars), instead of: (In Millions of Afghanis).
The diagrams referred to on pages 133, 135 and 160 have been omitted.

AFGHANISTAN

MAP OF ROADS